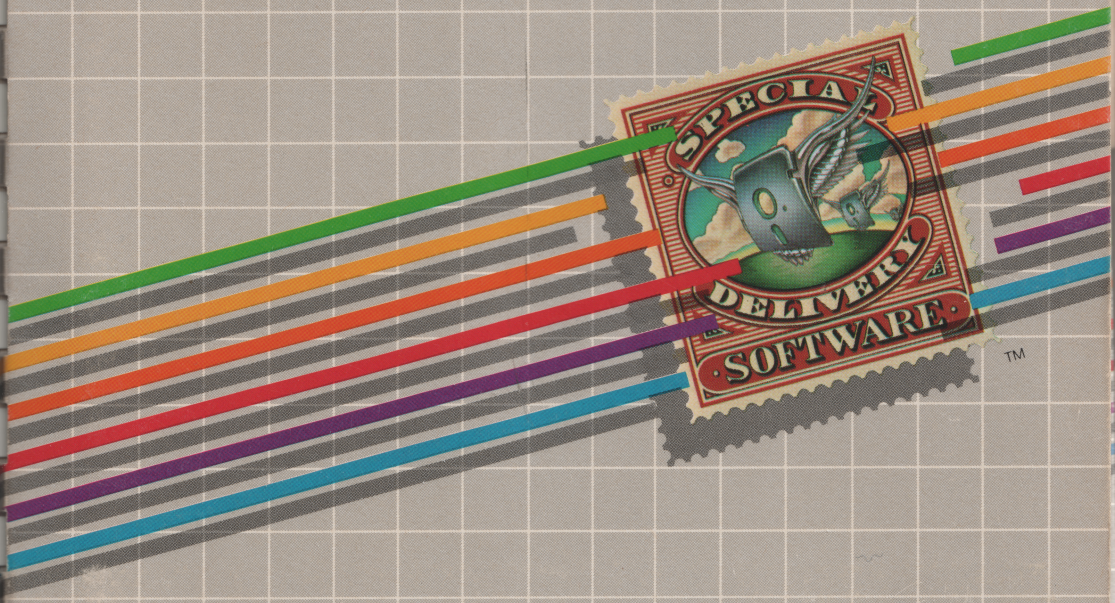
A P P L E



APPLE II COMPUTER

# Visicalc™ Templates

# Real Estate Analyst Series

REVISION 4.0

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REAL ESTATE ANALYST SERIES
VISICALC™ TEMPLATES

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# GETTING ACQUAINTED

GETTING ACQUAINTED

## CONGRATULATIONS !

Congratulations on your purchase of our REAL ESTATE ANALYST SERIES of VISICALC™ TEMPLATES. They will allow you to evaluate most income properties like a professional. You will X-Ray potential investments and select the configuration that will enhance your return, provide the greatest degree of safety, and perhaps of most importance, you will screen out those investments that appear lucrative but which, in reality, are a waste of time.

In addition to the Income Property Investment Analysis Templates, you will find that the Comparative Depreciation Schedule, Monthly Amortization Calculator, Monthly Amortization Schedule, Annual Summary Report (for loans ammortized monthly), and Mortgage Loan Analysis Templates will be very useful for projecting cash flows and estimating income tax deductions. The Personal Financial Statement Template will save hours of preparation each time a revision of your financial statement is necessary.

## VISICALC™: THE SUPER-PROGRAM

VISICALC™ is perhaps the most exciting program ever written for the microcomputer. The program took the industry by storm and quickly became the best selling microcomputer software of all time.

Visicalc™ allows the novice user to easily define problem-solving models complete with the appropriate alphanumeric titles. The user is then free to solve the problem he has defined. Perhaps

most important, any of the input data may be changed and all of the interdependent values on the Template are immediately and automatically updated.

VISICALC is the natural evolution of the electronic calculator. It harnesses the power of a computer in the format of an electronic worksheet (with 63 columns and 254 rows). When Visicalc is in use, the monitor becomes a 'window' into the computer memory. The user looks through the 'window' (the monitor screen) onto the Template as if the Template were a piece of paper containing words and numbers. Even though the monitor does not display the entire worksheet all at once, the user is free to look at any portion by scrolling the cursor (along with the window) to the desired location. The user is free to write words and numbers on the worksheet, define relationships between variables, calculate results, change assumptions, recalculate, and print reports at will.

**VISICALC TEMPLATES: NEW BREED OF SOFTWARE**

Visicalc is terrific software, however, the process of reading the manual, becoming familiar with the functions, and skilled in the construction of Templates is time consuming, especially for the novice computer operator.

We believe that our series of Templates is the solution to this dilemma. They are the product of literally hundreds of hours of development and have been thoroughly tested. The user can immediately put his computer to work providing important information critical to many business decisions.

The experience gained during the use of our

## GETTING ACQUAINTED

Templates will keep the user interested and help to develop his own programming abilities. The user will soon learn to customize and modify our Templates to his own advantage.

Our REAL ESTATE ANALYST SERIES of VISICALC TEMPLATES is a new concept in commercially available software. The Templates are structured as formatted business reports, complete with text and solutions to a series of typical investment problems. The printout can be included in the analyst's reports and presentations without modification. The Templates are reliable, easy to use financial models created to fulfill a wide variety of needs.

The Templates have been created in exactly the same way the Visicalc user creates his own models. Therefore, they are the only form of computer software that can be modified by a user who has very little experience with a microcomputer.

Using the Templates is exceptionally easy! After the Visicalc program and Template are loaded into RAM, the monitor screen becomes a 'window' into the computer memory. The user simply scrolls the window across the memory map to 'fill in the blanks' at data entry locations. The process of entering data on the Templates is extremely fast and easy. Then, the analyst presses a single key and Visicalc automatically calculates all of the interdependent values on the Template. The user may then print a report containing the results of the analysis. Finally, the Template can be saved on a diskette for future reference.

Changes in labels and input variables are simply typed onto the memory map. They are instantly made

part of the Template and all values are updated.

## SYSTEM REQUIREMENTS

Visicalc Templates are Visicalc storage files. They are designed to be used in conjunction with the Visicalc program diskette.

To use the REAL ESTATE ANALYST SERIES, you'll need:

* PERSONAL SOFTWARE'S Visicalc program diskette.
* an Apple II or Apple II Plus with 48K bytes RAM.
* a video monitor (preferred), or television set.
* an Apple Disk II with controller card.
* set of blank diskettes.
* a printer with controller card (optional).

## THE VISICALC MANUAL: WHAT TO READ

Before using any of the Templates it is a good idea for the analyst to become as familiar as possible with the Visicalc program. Personal Software has provided an excellent manual which should be utilized during this process. We recommend that every user of Visicalc read and become familiar with the entire manual and all of the available functions.

In order to expedite the process of familiarization with Visicalc, we recommend that the following

sections of the Visicalc manual be studied prior to using the program or our REAL ESTATE ANALYST SERIES of VISICALC TEMPLATES:

**VISICALC MANUAL: LEARNING THE BASICS**

# THE FIRST TIME THROUGH

THE FIRST TIME THROUGH

THE FIRST TIME THROUGH

## MAKE A BACKUP COPY

Prior to using any of the Templates, the analyst should make backup copies of the master diskettes. This is accomplished by using the COPY program that will be found on the APPLE SYSTEM MASTER DISKETTE. The VISICALC TEMPLATE MASTER DISKETTES should be kept in a safe place so that they will be available in case the working copies are lost or destroyed.

If you have only one Disk II drive, it may be easier to copy the Templates individually. To do this, load Visicalc, then load a Template from the Master Visicalc Template Diskette. Remove the Master Diskette from the Disk II drive and insert an initialized Visicalc Storage Diskette.

Now save the Template on the storage diskette (See: HOW TO SAVE A TEMPLATE in this manual). Repeat this process until all of the Templates have been transferred.

Remember that you are authorized to make copies of the Templates only for your own use (Refer to Warranty and Copyright).

## MAKE A VISICALC STORAGE DISKETTE

After the working copies have been created, the analyst should create one or more Visicalc storage diskettes (See: Visicalc Manual, page I-7).

THE FIRST TIME THROUGH

**HOW TO LOAD A TEMPLATE**

Make sure the VISICALC program diskette has been removed. Return it to it's protected storage area.

INSERT THE VISICALC TEMPLATE DISKETTE.

NOTE: Do not use the master Visicalc Template Diskette. Make a copy and keep the master diskette in a safe place.

PRESS: / S L

PRESS: RIGHT or LEFT ARROW:

IT MAY BE NECESSARY TO PRESS THE ARROWS SEVERAL TIMES! THE NAMES OF THE TEMPLATES WILL APPEAR, ONE AFTER ANOTHER, ON THE EDIT LINE. KEEP PRESSING UNTIL:

THE NAME OF THE DESIRED TEMPLATE appears on the edit line, then,

PRESS: RETURN

The template will now be loaded into RAM.

Once the Disk II drive stops, the screen will remain blank while the Template completes one calculation cycle. The equations are processed at a high rate of speed, however, due to the thousands of individual calculations, it may take 40 seconds or more for some of the larger Templates to complete their calculation cycle. Just think of the time savings on the part of the analyst! And, the Template does all of the work!

Finally, the Template will be displayed on the

monitor screen.

**THE SPLIT SCREEN**

Most of the Templates are displayed in a split-screen format. The upper and lower sections of the monitor screen are two separate windows into the electronic worksheet. They are totally independent and can be scrolled and formatted separately. The purpose of the split-screen is to provide one window for data entry, and the other for display of some of the key results. This is a great convenience to the analyst during his search for the best configuration of input data. You can move the cursor from one window into the other by pressing the semi-colon (;) key.

**HOW TO PRINT A REPORT**

When printing reports with Visicalc the cursor location will be the upper-left-hand corner of the report. The PRINT command requires the user to specify the coordinates of the lower-right-hand corner.

TO PRINT A REPORT:

1. Begin with the cursor located at the upper left hand corner of the desired report.

2. PRESS: / P

3. Visicalc will prompt for the number of the slot in which the printer controller card is located.

THE FIRST TIME THROUGH

Type in the appropriate slot number and,

PRESS: RETURN

If the number of the slot is not specified, Visicalc will scan the slots and pick one that has an appropriate device.

4. The Visicalc program may output print instructions that provide exactly what your printer needs. However, this is not always the case. Your printer may need 'special instructions' to make it perform as desired.

If, after trying to print a report, you experience undesirable results, try again and this time enter the optional special print instructions.

There are three situations in which special instructions are required:

First, if the user desires to suppress the LINE FEED that is automatically sent to the printer at the termination of each line, TYPE: - (A MINUS SIGN). THEN, GO TO STEP 5.

Second, if the printer requires a CARRIAGE RETURN prior to printing a report or prior to accepting a 'setup string' of special print instructions, TYPE: + (A PLUS SIGN).

Third, some printers require a special set of instructions (different from the instructions Visicalc provides automatically) prior to printing a report. If this applies to your printer, this is the time to enter them. To do this,

TYPE: " (SETUP STRING)

THE FIRST TIME THROUGH

This means, type a quotation mark, then follow with the special instructions. The special instructions may be obtained from the printer instruction manual or from your computer dealer.

THEN, PRESS: RETURN

THEN, GO TO STEP 5

5. After any special (optional) instructions have been entered, the user must specify the coordinates of the lower right hand corner of the desired report. To do this,

TYPE THE COORDINATES,

THEN, PRESS: RETURN

The report will now be printed. If the user desires to interrupt the printing of the report, he may do this at any time by pressing: CTRL-C.

**HOW TO SAVE A TEMPLATE**

The analyst may want to save the Template for future reference. All of the instructions for computation of the template are saved in the process. Therefore, next time the analyst desires to run the template, it is not necessary to re-load the master (blank) template. All that will be required of the analyst will be to load the template that has been saved, make changes in the text as necessary, re-calculate the values, and print a report.

## THE FIRST TIME THROUGH

### INSTRUCTIONS FOR SAVING A TEMPLATE:

1. INITIALIZE A VISICALC STORAGE DISKETTE: Obtain a blank diskette and follow the initialization proceedure outlined in the Visicalc Manual, page I-8. Put the initialized visicalc storage diskette into the disk drive.

2. INVOKE THE 'SAVE' COMMAND:

To do this, press: / S S

The prompt line will read: FILE FOR SAVING

A blinking box will appear on the edit line. The analyst should type the name of the Template he wishes to save on this line. Each file on a Visicalc Storage Diskette MUST have a unique filename.

3. SAVE THE TEMPLATE ON THE STORAGE DISKETTE:

Press: RETURN

The Disk II drive will begin to whir and the Template will be saved on the storage diskette. Be sure to label the diskette.

The number of Templates that can be stored on a visicalc storage diskette will vary depending on the size of the Templates.

The Visicalc program conserves disk storage space when the Template is saved, however, sooner or later you will exceed the disk storage capacity while you

are trying to save a Template. When this finally happens to you, the disk drive will stop, the computer will make a beeping noise, and an error message will appear on the 'prompt' line. Press RETURN to remove the ERROR message. Then, delete the file that you were in the process of saving. This is done because only part of the file was saved prior to the time that the storage diskette ran out of space.

Then, either delete one or more Visicalc Templates from the disk to create more space, or create a new storage diskette, place it in the Disk II drive and repeat the proceedure outlined above.

YOU ARE NOW READY TO USE THE TEMPLATES. Select one that is of interest to you, find it in this manual, then follow along with the documentation while you are using the Template for the first time. After a while you will find that it won't be necessary to consult the instruction manual except for clarification of input data or for an explanation of the results. The Templates are very easy to use. In fact, most of them include brief operating instructions that appear in the upper window when the Template is loaded.

It is our sincere desire that, through the use of these Templates, you will significantly increase your capacity to make good business decisions. We are sure that if you take the time to learn the basics of Visicalc, the Templates will pay for themselves many times over.

# MONTHLY AMORTIZATION CALCULATOR

# MONTHLY AMORTIZATION CALCULATOR

**VISICALC TEMPLATES**

**MONTHLY AMORTIZATION CALCULATOR**

---

**FEATURES**

* ANALYST ENTERS 5 OF 6 VARIABLES.

    1. PURCHASE PRICE
    2. DOWN PAYMENT %
    3. ANNUAL % RATE (APR)
    4. TERM: IN MONTHS
    5. MONTHLY PAYMENT
    6. BALLOON PAYMENT

* THE TEMPLATE CALCULATES THE REMAINING VARIABLE.

* THE LOAN CONSTANT IS DISPLAYED.

**WHAT TO EXPECT**

The Template provides the analyst with an accurate and fast method to determine the unknown variable in the monthly amortization equation. The analyst must only specify the Annual Percentage Rate (APR). In nearly all business situations, however, the interest rate is a known quantity. The Template calculates and displays the remaining four values.

TO OPERATE THE TEMPLATE: Enter the basic data at the appropriate positions in the Data Entry Area. After the data has been entered, the user calculates the unknown variable by pressing the ! key.

MONTHLY AMORTIZATION CALCULATOR
VISICALC TEMPLATES

OPERATING INSTRUCTIONS

**A: LOAD THE VISICALC PROGRAM:**
See the VISICALC manual: Loading Visicalc.

**B: LOAD THE VISICALC TEMPLATE:**

B-1: Make sure the VISICALC program diskette has been removed. Return it to it's protected storage area.

B-2: INSERT THE VISICALC TEMPLATE DISKETTE #1.

NOTE: Do not use the master Visicalc Template Diskette. Make a copy and keep the master diskette in a safe place.

B-3: PRESS: / S L

B-4: PRESS: RIGHT or LEFT ARROW:

IT MAY BE NECESSARY TO PRESS THE ARROWS SEVERAL TIMES! THE NAMES OF THE TEMPLATES WILL APPEAR, ONE AFTER ANOTHER, ON THE EDIT LINE. KEEP PRESSING UNTIL:

AMORTIZATION: CALCULATOR appears on the edit line, then,

B-5: PRESS: RETURN

The template will now be loaded into RAM. This process will take approximately 20 seconds to complete. Then the disk drive will stop and the screen will remain blank for an additional 2 seconds. The template will then appear with the cursor in the 'operating instruction' area.

OPERATING INSTRUCTIONS

**C: ENTER THE DATA:**

C-1: We are now ready to enter values in the data entry section. The analyst should observe the cursor direction indicator, reset the direction if necessary so that the indicator is vertical (See the Visicalc Manual, page 1-2), then scroll the cursor down through the 'Operating Instruction' area. When the cursor reaches the 'Data Entry Area' the analyst should continue to scroll down (or right or left, as necessary) until the cursor occupies the space in which the data is to be entered. See the Visicalc Manual: Moving the cursor (page 1-2), and Scrolling the Window (page 1-2).

The analyst should now decide what data input values to select for the Template:

**DATA INPUT: IMPORTANT CONSIDERATIONS!**

This Template requires FIVE of six input variables:

**PURCHASE PRICE** is the total price, including any required down payment.

**DOWN PAYMENT %** is the required down payment, expressed as a percentage of the purchase price. The down payment % is expressed as any number between 0 and 100 (i.e. 15 = 15%).

**ANNUAL % RATE** is the annual percentage rate. Like the down payment %, the APR is also expressed as a whole number between 1 and 100 (APR IS REQUIRED).

**TERM: IN MONTHS** is the number of months over which

the loan is to be ammortized. This may be any number.

**MONTHLY PAYMENT** is the amount of the desired monthly payment.

**BALLOON PAYMENT AMOUNT** is the amount of the balloon payment (in dollars). The balloon payment is the remaining principal balance at the end of term of the loan. NOTE: ZERO IS A VALID ENTRY.

DO NOT ENTER ANY DATA BELOW THE BALLOON PAYMENT. THE TEMPLATE WILL CALCULATE THE UNKNOWN VARIABLE (LEAVE A ZERO IN THE DATA ENTRY POSITION OF THE UNKNOWN VARIABLE) BASED ON THE ABOVE DATA.

**C-2: TO ENTER DATA ON THE TEMPLATE:**

Go to the appropriate data entry location, type in the desired value, then;

PRESS RETURN.

DO NOT ENTER DATA ANYWHERE ON THE TEMPLATE EXCEPT IN THE DATA ENTRY AREA. IF THIS OCCURS, THE TEMPLATE MAY BE RUINED. To recover from this situation the analyst must clear the sheet, load a new (blank) Template, re-enter input data, and make any necessary changes in the alphanumerics.

**D: PERFORM THE COMPUTATIONS:**

D-1: PRESS: ! (ONE TIME).

After all data has been entered, the calculations are performed by pressing the exclamation mark ONE TIME. In approximately 5 seconds, the computations

will be complete. The results are displayed in the lower half of the monitor screen. NOTE: SOME DATA CONFIGURATIONS ARE INSOLUBLE. IF ERROR MESSAGES ARE DISPLAYED, YOU WILL HAVE TO CHANGE THE INPUT DATA SO THAT A SOLUTION IS POSSIBLE.

**D-2: CHANGE VARIABLES AND RECALCULATE.**

To change the variables and recalculate, simply scroll the cursor back to the variable that is to be changed and type in the new value.

After the data has been revised, recalculate by pressing the exclamation mark (!) key.

**E: PRINT A REPORT.**

Refer to this manual, HOW TO PRINT A REPORT, for a discussion regarding printing the Templates. Then scroll the cursor to a position immediately below the data entry area. The proper cursor locations for printing a report are located here.

NOTE: When printing reports with Visicalc, the cursor location will be the upper-left-hand corner of the report. The PRINT command requires the user to specify the coordinates of the lower-right-hand corner.

# AMORTIZATION: MONTHLY SCHEDULE

# AMORTIZATION
# MONTHLY
# SCHEDULE

**VISICALC TEMPLATES**

**AMORTIZATION: MONTHLY SCHEDULE**

---

**FEATURES**

* THE ANALYST ENTERS THE VARIABLES.....

    1. PURCHASE PRICE
    2. DOWN PAYMENT PERCENTAGE
    3. ANNUAL % RATE (APR)
    4. TERM: IN MONTHS
    5. BALLOON PAYMENT

* THE TEMPLATE CALCULATES THE DOWN PAYMENT, AMOUNT FINANCED, MONTHLY PAYMENT, AND LOAN CONSTANT

* THEN THE TEMPLATE PRODUCES A DETAILED SCHEDULE

    1. PRINCIPAL BALANCE AFTER PAYMENT
    2. MONTHLY PAYMENT TO PRINCIPAL
    3. MONTHLY PAYMENT TO INTEREST
    4. CUMULATIVE PRINCIPAL
    5. CUMULATIVE INTEREST

* THE ANALYST MAY PRINT A DETAILED REPORT (FOR THE FIRST 36 MONTHS)

THE CAPABILITIES

**WHAT TO EXPECT**

The Template provides the analyst with an accurate and fast method to produce a detailed monthly amortization schedule. The schedule provides a detailed analysis of all the components of the loan for the first 36 months after the loan is made. The term of the loan may be longer or shorter than 36 months. If the term is shorter, the Template will ammortize the loan to zero, then display the symbol NA in the remaining spaces on the report. If the term is longer, the Template will display the principal balance after the 36th payment, allocations for principal and interest through the 36th month, and total principal and interest paid to date.

TO OPERATE THE TEMPLATE: Enter the basic data at the appropriate positions in the Data Entry Area. All of the values are recalculated when the analyst presses the exclamation mark ( ! ) key. Refer to the next section of this manual, OPERATING INSTRUCTIONS.

AMORTIZATION: MONTHLY SCHEDULE
VISICALC TEMPLATES

OPERATING INSTRUCTIONS

**A: LOAD THE VISICALC PROGRAM:**
See the VISICALC manual: Loading Visicalc.

**B: LOAD THE VISICALC TEMPLATE:**

B-1: Make sure the VISICALC program diskette has been removed. Return it to it's protected storage area.

B-2: INSERT THE VISICALC TEMPLATE DISKETTE #1.

NOTE: Do not use the master Visicalc Template Diskette. Make a copy and keep the master diskette in a safe place.

B-3: PRESS: / S L

B-4: PRESS: RIGHT or LEFT ARROW:

IT MAY BE NECESSARY TO PRESS THE ARROWS SEVERAL TIMES! THE NAMES OF THE TEMPLATES WILL APPEAR, ONE AFTER ANOTHER, ON THE EDIT LINE. KEEP PRESSING UNTIL:

AMORTIZATION: MONTHLY SCHED appears on the edit line, then,

B-5: PRESS: RETURN

The template will now be loaded into RAM. This process will take approximately 50 seconds to complete. Then the disk drive will stop and the screen will remain blank for an additional 25 seconds. The template will then appear with the cursor in the 'operating instruction' area.

OPERATING INSTRUCTIONS

**C: ENTER THE DATA:**

C-1: We are now ready to enter values in the data entry section. The analyst should observe the cursor direction indicator, reset the direction if necessary so that the indicator is vertical (See the Visicalc Manual, page 1-2), then scroll the cursor down through the 'Operating Instruction' area. When the cursor reaches the 'Data Entry Area' the analyst should continue to scroll down (or right or left, as necessary) until the cursor occupies the space in which the data is to be entered. See the Visicalc Manual: Moving the cursor (page 1-2), and Scrolling the Window (page 1-2).

The analyst should now decide what data input values to select for the Template:

**DATA ENTRY: IMPORTANT CONSIDERATIONS!**

This Template requires FIVE input variables:

**PURCHASE PRICE** is the total price, including any required down payment.

**DOWN PAYMENT %** is the required down payment, expressed as a percentage of the purchase price. The down payment % is expressed as any number between 0 and 100 (i.e. 15 = 15%).

**ANNUAL % RATE** is the annual percentage rate. Like the down payment %, the APR is also expressed as a number between 1 and 100.

**TERM: IN MONTHS** is the number of months over which

the loan is to be amortized. This may be any number. The Template will create a detailed schedule for the first 36 months of the loan. If the term of the loan exceeds 36 months, the Template will display the remaining balance at the end of the 36th month.

**BALLOON PAYMENT AMOUNT** is the amount of the balloon payment (in dollars). The balloon payment is the remaining principal balance at the end of term of the loan.

DO NOT ENTER ANY DATA BELOW THE BALLOON PAYMENT. THE TEMPLATE WILL CALCULATE THE MONTHLY PAYMENT BASED ON THE ABOVE DATA. THE USER CANNOT ENTER A DESIRED MONTHLY PAYMENT AND EXPECT THE TEMPLATE TO CALCULATE THE OTHER INPUT VARIABLES. IF THIS ABILITY IS DESIRED, SEE THE MONTHLY AMORTIZATION CALCULATOR TEMPLATE.

**C-2: TO ENTER DATA ON THE TEMPLATE:**

Go to the appropriate data entry location, type in the desired value, then;

PRESS RETURN.

DO NOT ENTER DATA ANYWHERE ON THE TEMPLATE EXCEPT IN THE DATA ENTRY AREA. IF THIS OCCURS, THE TEMPLATE MAY BE RUINED. To recover from this situation the analyst must clear the sheet, load a new (blank) Template, re-enter input data, and make any necessary changes in the alphanumerics.

**D: PERFORM THE COMPUTATIONS:**

D-1: PRESS: ! (ONE TIME).

After all data has been entered, the calculations are performed by pressing the exclamation mark ONE TIME. In approximately 35 seconds, the computations will be complete. The analyst will immediately see the amount of the monthly payment and amount financed displayed in the upper window. Then, in the lower window, the allocations for principal and interest will appear for the first four months.

The Template has been designed so that the analyst may explore the details of the amortization schedule prior to printing a report. To do this, press the semi-colon key ( ; ). The cursor will jump into the lower window. The analyst is now free to explore any area of the monthly schedule. Notice that the titles have been fixed in both directions so that the headings for each column as well as the number of the month are always visible.

**D-2: CHANGE VARIABLES AND RECALCULATE.**

To enter new data and recalculate, simply scroll the cursor back to the variable that is to be changed and type in the new value. If the cursor is in the lower window, remember to move it back into the data entry area by pressing the semi-colon ( ; ) key. After the data has been revised, recalculate by pressing the exclamation mark ( ! ) key.

**E: PRINT A REPORT.**

Refer to this manual, HOW TO PRINT A REPORT, for a

discussion regarding printing the Template. Then scroll the cursor to a position immediately below the data entry area. The proper cursor locations for printing a report are located here.

NOTE: When printing reports with Visicalc, the cursor location will be the upper-left-hand corner of the report. The PRINT command requires the user to specify the coordinates of the lower-right-hand corner.

**F: SAVE THE TEMPLATE ON A DISKETTE:**

The analyst may want to save the template for future reference. All of the instructions for computation of the template are saved in the process. Therefore, next time the analyst desires to run the template, it will not be necessary to re-load the master (blank) template. Just load the template that has been saved, make changes in the data entry area as necessary, re-calculate the values, and print a report.

Prior to saving a template on a diskette, the analyst should refer to this manual, HOW TO SAVE A TEMPLATE.

# AMORTIZATION: ANNUAL SUMMARY REPORT

AMORTIZATION:
ANNUAL
SUMMARY REPORT

**VISICALC TEMPLATES**

**AMORTIZATION: ANNUAL SUMMARY**

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**FEATURES**

* CALCULATES PRINCIPAL & INTEREST FOR PARTIAL YEAR!

* THE ANALYST ENTERS THE VARIABLES.....

    1. DATE OF NOTE: MONTH
    2. PURCHASE PRICE
    3. DOWN PAYMENT PERCENTAGE
    4. ANNUAL % RATE (APR)
    5. TERM: IN YEARS
    6. BALLOON PAYMENT

* THE TEMPLATE CALCULATES THE DOWN PAYMENT, AMOUNT FINANCED, MONTHLY PAYMENT, AND LOAN CONSTANT

* THE TEMPLATE PRODUCES A DETAILED ANNUAL SUMMARY.

    1. MONTHS IN FIRST YEAR (FULL OR PARTIAL YR)
    2. MONTHS IN LAST YEAR (FULL OR PARTIAL YR)
    3. PRINCIPAL BALANCE: AT YEAR END
    4. ANNUAL PAYMENT TO PRINCIPAL
    5. ANNUAL PAYMENT TO INTEREST
    6. CUMULATIVE PRINCIPAL
    7. CUMULATIVE INTEREST

AMORTIZATION: ANNUAL SUMMARY
VISICALC TEMPLATES

THE CAPABILITIES

* THE ANALYST MAY PRINT A DETAILED REPORT (FOR THE FIRST 31 YEARS)

**WHAT TO EXPECT**

This Template produces a detailed ANNUAL SUMMARY REPORT for any loan amortized on a monthly basis. One important feature of this Template is that it calculates the interest and principal paid during each year of the loan, even if the first and last years are partial years!

The analyst may calculate his allocations for interest and principal for each year of the loan (up to 31 years), then print a permanent record for his files. The entire schedule is created in a maximum of 50 seconds, for loans of 31 years or more. Loans with a shorter term require less time to process.

The ANNUAL SUMMARY REPORT is easy to read, and full of important data.

The Template can handle input data up to (not including) ten million dollars. Larger amounts are possible, however, the column width must be adjusted so that the larger numbers will fit without causing an overflow display.

TO OPERATE THE TEMPLATE: Enter the basic data at the appropriate positions in the Data Entry Area. All of the values are recalculated when the analyst presses the exclamation mark ( ! ) key. (See the OPERATING INSTRUCTIONS in the following section of this manual)

AMORTIZATION: ANNUAL SUMMARY
VISICALC TEMPLATES

OPERATING INSTRUCTIONS

**A: LOAD THE VISICALC PROGRAM:**
See the VISICALC manual: Loading Visicalc.

**B: LOAD THE VISICALC TEMPLATE:**

B-1: Make sure the VISICALC program diskette has been removed. Return it to it's protected storage area.

B-2: INSERT THE VISICALC TEMPLATE DISKETTE #1.

NOTE: Do not use the master Visicalc Template Diskette. Make a copy and keep the master diskette in a safe place.

B-3: PRESS: / S L

B-4: PRESS: RIGHT or LEFT ARROW:

IT MAY BE NECESSARY TO PRESS THE ARROWS SEVERAL TIMES! THE NAMES OF THE TEMPLATES WILL APPEAR, ONE AFTER ANOTHER, ON THE EDIT LINE. KEEP PRESSING UNTIL:

AMORTIZATION: ANNUAL SUMMARY appears on the edit line, then,

B-5: PRESS: RETURN

The template will now be loaded into RAM. This process will take approximately 45 seconds to complete. Then the disk drive will stop and the screen will remain blank for an additional 6 seconds. The template will then appear with the cursor in the 'operating instruction' area.

**C: ENTER THE DATA:**

C-1: We are now ready to enter values in the data entry section. The analyst should observe the cursor direction indicator, reset the direction if necessary so that the indicator is vertical (See the Visicalc Manual, page 1-2), then scroll the cursor down through the 'Operating Instruction' area. When the cursor reaches the 'Data Entry Area' the analyst should continue to scroll down (or right or left, as necessary) until the cursor occupies the space in which the data is to be entered. See the Visicalc Manual: Moving the cursor (page 1-2), and Scrolling the Window (page 1-2).

The analyst should now decide what data input values to select for the Template:

**DATA INPUT: IMPORTANT CONSIDERATIONS!**

This Template requires SIX input variables:

**DATE OF NOTE: MONTH** is the month in which the loan is made. This value should be expressed as a whole number between 1 and 12. The month may correspond with the calander year (January = 1; February = 2, etc.) or with the analyst's fiscal year.

For example, if the analyst's fiscal year begins April 1, and the date of the note is July 1, the note was made on the first day of the fourth month of the fiscal year. In this example, the analyst should enter a '4' if the fiscal year is being used

or a '7' if the calander year is being used.

One of the most valuable features of this Template is it's ability to calculate the annual interest deduction, even for partial years.

**PURCHASE PRICE** is the total price, including any required down payment.

**DOWN PAYMENT %** is the required down payment, expressed as a percentage of the purchase price. The down payment % is expressed as any number between 0 and 100 (i.e. 15.5 = 15.5%).

**ANNUAL % RATE** is the annual percentage rate. Like the down payment %, the APR is also expressed as any number between 1 and 100.

**TERM: IN YEARS** is the number of years over which the loan is to be amortized. This may be any number. The Template will create a detailed schedule for the first 31 years of the loan. If the term of the loan exceeds 31 years, the Template will display the remaining balance at the end of the 31st year.

**BALLOON PAYMENT AMOUNT** is the remaining principal balance at the end of term of the loan.

DO NOT ENTER ANY DATA BELOW THE BALLOON PAYMENT. THE TEMPLATE WILL CALCULATE THE MONTHLY PAYMENT BASED ON THE ABOVE DATA. THE USER CANNOT ENTER A

OPERATING INSTRUCTIONS

DESIRED MONTHLY PAYMENT AND EXPECT THE TEMPLATE TO CALCULATE THE OTHER INPUT VARIABLES. IF THIS ABILITY IS DESIRED, SEE THE MONTHLY AMORTIZATION CALCULATOR TEMPLATE.

**C-2: TO ENTER DATA ON THE TEMPLATE:**

Go to the appropriate data entry location, type in the desired value, then;

PRESS RETURN.

DO NOT ENTER DATA ANYWHERE ON THE TEMPLATE EXCEPT IN THE DATA ENTRY AREA. IF THIS OCCURS, THE TEMPLATE MAY BE RUINED. To recover from this situation the analyst must clear the sheet, load a new (blank) Template, re-enter input data, and make any necessary changes in the alphanumerics.

**D: PERFORM THE COMPUTATIONS:**

D-1: PRESS: ! (ONE TIME).

After all data has been entered, the calculations are performed by pressing the exclamation mark ONE TIME. The calculation time will vary from 7 seconds to 50 seconds, depending on the number of years of the loan. When the calculations have been completed, the analyst will see the amount of the monthly payment and amount financed displayed in the upper window. Then, in the lower window, the allocations for principal and interest will appear for the first four years.

The Template has been designed so that the analyst may explore the details of the amortization

schedule prior to printing a report. To do this, press the semi-colon key ( ; ). The cursor will jump into the lower window. The analyst is now free to explore any area of the annual summary. Notice that the titles have been fixed in both directions so that the headings for each column as well as the number of the year are always visible.

**D-2: CHANGE VARIABLES AND RECALCULATE.**

Perhaps the most exciting feature of the VISICALC TEMPLATES is the ability to change any of the input variables and re-calculate based on the new data. Simply scroll the cursor back to the variable that is to be changed and type in the new value. If the cursor is in the lower window, remember to move it back into the data entry area by pressing the semi-colon ( ; ) key. After the data has been revised, recalculate by pressing the exclamation mark ( ! ) key.

**E: PRINT A REPORT.**

Refer to this manual, HOW TO PRINT A REPORT for a discussion regarding printing the templates. Then scroll the cursor to a position immediately below the data entry area. The proper cursor locations for printing a report are located here.

NOTE: When printing reports with Visicalc the cursor location will be the upper-left-hand corner of the report. The PRINT command requires the user to specify the coordinates of the lower-right-hand corner.

**F: SAVE THE TEMPLATE ON A DISKETTE:**

The analyst may want to save the template for future reference. All of the instructions for computation of the template are saved in the process. Therefore, next time the analyst desires to run the template, it is not necessary to re-load the master (blank) template. Just load the template that has been saved, make changes in the data entry area as necessary, re-calculate the values, and print a report.

Prior to saving a template on a diskette, the analyst should refer to this manual, HOW TO SAVE A TEMPLATE.

# MORTGAGE LOAN ANALYSIS

**VISICALC TEMPLATES**

**MORTGAGE LOAN ANALYSIS**

---

**FEATURES**

* ANALYZE UP TO FIVE MORTGAGES: SIMULTANEOUSLY!
* CALCULATE THE ANNUAL INTEREST DEDUCTION
* CALCULATE THE ANNUAL PAYMENT TO PRINCIPAL
* DATA ENTRY IS EASY, STRAIGHTFORWARD
* REQUIRES ONLY RAW DATA! NO ADVANCE PREPARATION
* ANALYSIS MAY BE PERFORMED AT ANY TIME DURING THE LIFE OF THE MORTGAGES.
* MORTGAGE DATES MAY BE BEFORE OR AFTER ACQUISITION
* FUTURE PERFORMANCE PROJECTED BY ENTERING NEW DATE
* PRESS ONE KEY! - THE TEMPLATE CALCULATES:

... A) NUMBER OF YEARS SINCE ACQUISITION

... B) AGE OF EACH MORTGAGE AT ANALYSIS

... C) PRINCIPAL BALANCE AT ACQUISITION

... D) MONTHLY PAYMENTS

... E) ANNUAL DEBT SERVICE

... F) MORTGAGE CONSTANTS

... G) PRINCIPAL BALANCE (PV) AT ANALYSIS

... H) PRINCIPAL: TOTAL SINCE ACQUISITION

THE CAPABILITIES

... I) INTEREST: TOTAL SINCE ACQUISITION

... J) PRINCIPAL: DURING PAST 12 MONTHS

... K) INTEREST: DURING PAST 12 MONTHS

**WHAT TO EXPECT**

The MORTGAGE LOAN ANALYSIS Template has been designed to keep track of up to five separate mortgages - simultaneously! The analyst specifies the Acquisition Date, Analysis Date, and basic Mortgage Data. Then, at the touch of a single key, the Template performs thousands of individual calculations to provide the analyst with everything he needs to know about all five mortgages.

The MORTGAGE LOAN ANALYSIS Template provides the analyst with an extremely powerful tool for evaluating a mortgage portfolio.

The Template performs several important functions that are not usually provided by computer analysis of a mortgage:

First, the Template calculates the principal balance of each mortgage on the acquisition date. This is useful because when a property is acquired and existing mortgages are assumed, the principal balance on the date of acquisition will be less than the original amount of the note.

Second, the Template calculates cumulative interest and principal from the acquisition date. This is

done so that the investor can determine the actual amounts of principal and interest he has retired during the period of time the property has been in his portfolio.

The same technique is applied to the calculations for interest and principal paid during the past 12 months. That is, the Template will calculate interest and principal for the past 12 months or, if the property has been owned for less than one year, the Template will calculate payment to interest and principal for the partial year.

To use the Template: follow the OPERATING INSTRUCTIONS in the next section of this manual.

MORTGAGE LOAN ANALYSIS
VISICALC TEMPLATES

OPERATING INSTRUCTIONS

**A: LOAD THE VISICALC PROGRAM:**
See the VISICALC manual: Loading Visicalc.

**B: LOAD THE VISICALC TEMPLATE:**

B-1: Make sure the VISICALC program diskette has been removed. Return it to it's protected storage area.

B-2: INSERT THE VISICALC TEMPLATE DISKETTE #1.

NOTE: Do not use the master Visicalc Template Diskette. Make a copy and keep the master diskette in a safe place.

B-3: PRESS: / S L

B-4: PRESS: RIGHT or LEFT ARROW:

IT MAY BE NECESSARY TO PRESS THE ARROWS SEVERAL TIMES! THE NAMES OF THE TEMPLATES WILL APPEAR, ONE AFTER ANOTHER, ON THE EDIT LINE. KEEP PRESSING UNTIL:

MORTGAGE LOAN ANALYSIS appears on the edit line, then,

B-5: PRESS: RETURN

The template will now be loaded into RAM. This process will take approximately 55 seconds to complete. Then the disk drive will stop and the screen will remain blank for an additional 20 seconds. The template will then appear with the cursor in the 'operating instruction' area.

**C: ENTER THE DATA:**

C-1: We are now ready to enter values in the data entry section. The analyst should observe the cursor direction indicator, reset the direction if necessary so that the indicator is vertical (See the Visicalc Manual, page 1-2), then scroll the cursor down through the 'Operating Instruction' area. When the cursor reaches the 'Data Entry Area' the analyst should continue to scroll down (or right or left, as necessary) until the cursor occupies the space in which the data is to be entered. See the Visicalc Manual: Moving the cursor (page 1-2), and Scrolling the Window (page 1-2).

The analyst should now decide what data input values to select for the Template:

**DATA ENTRY: IMPORTANT CONSIDERATIONS !**

**ACQUISITION DATE**

The ACQUISITION DATE is the month and year on which title is expected to be conveyed to the purchaser. The month should be expressed as a whole number between 1 and 12 (January=1; February=2, etc.). The year may be expressed either by the last two digits (eg. 81), or by all four digits (eg. 1981). If the analysis date bridges the turn of the century, all four digits MUST be used.

It is very important to be consistent in the form used for designation of the year. USE THE SAME FORM THROUGHOUT OR YOU WILL PRODUCE ERROR CONDITIONS.

MORTGAGE LOAN ANALYSIS
VISICALC TEMPLATES

OPERATING INSTRUCTIONS

## ANALYSIS DATE

The Analysis Date is the month and year on which the performance of the mortgage portfolio is to be evaluated.

There are two important parameters to satisfy when selecting the Analysis Date:

First, the analyst must select a date which occurs AFTER the ACQUISITION DATE. This is logical because if you don't own the property, you don't have a mortgage portfolio to evaluate.

Second, the Analysis Date must fall within the term of all of the mortgages. If either of these criteria are not satisfied, the Mortgage Loan Analysis Template will produce a series of NA (Not Available) messages on the summary report and in the lower window of the monitor screen. When this occurs the analyst should review all ofthe dates and make any necessary adjustments.

## MORTGAGES

The analyst should enter the principal amount, annual percentage rate (APR), term in years, date on which the mortgage was made, and the balloon amount, if any, for each mortgage.

The balloon amount is the total balloon payment at the termination of the mortgage.

THE DATES OF THE MORTGAGES MUST CORRESPOND IN FORMAT WITH THE DATES OF ACQUISITION AND ANALYSIS.

The mortgages may be dated either prior to, at, or

after the date of acquisition of the property.

If the mortgage is an interest-only mortgage it should be treated as a balloon mortgage, the balloon amount being equal to the principal amount.

One of the most powerful features of this Template is that the analyst is free to explore the effect of various combinations of financing on the performance of the investment.

**PRINCIPAL AMOUNT** is the ORIGINAL amount of the mortgage, not the principal balance at acquisition. The Template will calculate and display the principal balance of the mortgage on the date of acquisition.

**ANNUAL % RATE** is the annual percentage rate. The Annual Percentage Rate is expressed as any number between 1 and 100 (e.g. 15 = 15%).

**TERM: IN YEARS** is the number of years over which the mortgage is to be ammortized. This may be any number of years (full or partial years).

**BALLOON PAYMENT AMOUNT** is the remaining principal balance at the end of term of the loan.

**C-2: TO ENTER DATA ON THE TEMPLATE:**

Go to the appropriate data entry location, type in the desired value, then;

PRESS RETURN.

DO NOT ENTER DATA ANYWHERE ON THE TEMPLATE EXCEPT IN THE DATA ENTRY AREA. IF THIS OCCURS, THE TEMPLATE MAY BE RUINED. To recover from this situation the analyst must clear the sheet, load a new (blank) Template, and re-enter input data.

**D: PERFORM THE COMPUTATIONS:**

D-1: PRESS: ! (ONE TIME).

After all data has been entered, the calculations are performed by pressing the exclamation mark ONE TIME. In approximately 20 seconds, the computations will be complete.

A summary of the TOTALS FOR ALL MORTGAGES will appear in the lower window. To see details of an individual mortgage, press the semi-colon (;) key to move the cursor into the lower window, then scroll UP into the summary report. The cursor may be manipulated to examine details of each mortgage.

**D-2: CHANGE VARIABLES AND RECALCULATE.**

Perhaps the most exciting feature of a VISICALC TEMPLATE is the ability to change any of the input variables and re-calculate based on the new data. Simply scroll the cursor back to the variable that

is to be changed and type in the new value. If the cursor is in the lower window, remember to move it back into the data entry area by pressing the semi-colon ( ; ) key. After the data has been revised, recalculate by pressing the exclamation mark ( ! ) key.

**E: PRINT A REPORT.**

Refer to this manual, HOW TO PRINT A REPORT, for a discussion regarding printing the Templates. Then scroll the cursor to a position immediately below the data entry area. The proper cursor locations for printing a report are located here.

NOTE: When printing reports with Visicalc the cursor location will be the upper-left-hand corner of the report. The PRINT command requires the user to specify the coordinates of the lower-right-hand corner.

**F: SAVE THE TEMPLATE ON A DISKETTE:**

The analyst may want to save the template for future reference. All of the instructions for computation of the template are saved in the process. Therefore, next time the analyst desires to run the template, it is not necessary to re-load the master (blank) template. Just load the template that has been saved, make changes in the data entry area as necessary, re-calculate the values, and print a report.

Prior to saving a template on a diskette, the analyst should refer to this manual, HOW TO SAVE A TEMPLATE.

# COMPARATIVE DEPRECIATION SCHEDULE

COMPARATIVE
DEPRECIATION
SCHEDULE

**VISICALC TEMPLATES**

**COMPARATIVE DEPRECIATION SCHEDULE**

---

**FEATURES**

* ENTER THE BASIC DATA, THE TEMPLATE DOES ALL THE WORK!

* CALCULATE: STRAIGHT LINE DEPRECIATION, DECLINING BALANCE DEPRECIATION (ANY %), AND SUM-OF-THE-YEARS-DIGITS DEPRECIATION

* ALL 3 METHODS ARE DISPLAYED SIDE BY SIDE

* THE USER SPECIFIES THE DEPRECIABLE LIFE

* ANY TERM MAY BE USED, THE TEMPLATE WILL DISPLAY A DETAILED REPORT OF THE FIRST THIRTY YEARS

* THE DECLINING BALANCE METHOD AUTOMATICALLY CHANGES TO STRAIGHT LINE AT THE MOST APPROPRIATE TIME!

* THE ANALYST MAY PRINT A DETAILED REPORT

**WHAT TO EXPECT**

The Template calculates Straight Line, Declining Balance (any %), and Sum-of-the-Years-Digits depreciation for each year of the specified useful life of the depreciable assets.

Then, an annual summary report displays all three methods side-by-side so that the analyst may compare the benefits of each method.

The Template provides the analyst with an accurate depreciation calculator that will save many hours

of valuable time in determining the actual depreciation deduction for each tax year (calander or fiscal).

One of the most important features of the Template is that it determines all of the time consuming prorations that are required if the property is acquired during the tax year. The Template even displays the number of months in the first and last year of the useful life of the property that fall within the analyst's tax year!

The Template will automatically switch to straight line depreciation at the most appropriate time. The Internal Revenue Service allows the taxpayer to switch from accelerated depreciation to straight line depreciation at any time he feels that it is appropriate. This is done automatically by the template in the year in which the straight line depreciation exceeds the accelerated depreciation.

After the Template has completed all of the calculations, the analyst is free to print a detailed report of the annual depreciation deductions for the first thirty years of ownership.

To use the Template, see the Operating Instructions in the following section of this manual.

COMPARATIVE DEPRECIATION SCHEDULE
VISICALC TEMPLATES

OPERATING INSTRUCTIONS

**A: LOAD THE VISICALC PROGRAM:**
See the VISICALC manual: Loading Visicalc.

**B: LOAD THE VISICALC TEMPLATE:**

B-1: Make sure the VISICALC program diskette has been removed. Return it to it's protected storage area.

B-2: INSERT THE VISICALC TEMPLATE DISKETTE #1.

NOTE: Do not use the master Visicalc Template Diskette. Make a copy and keep the master diskette in a safe place.

B-3: PRESS: / S L

B-4: PRESS: RIGHT or LEFT ARROW:

IT MAY BE NECESSARY TO PRESS THE ARROWS SEVERAL TIMES! THE NAMES OF THE TEMPLATES WILL APPEAR, ONE AFTER ANOTHER, ON THE EDIT LINE. KEEP PRESSING UNTIL:

DEPRECIATION SCHEDULE appears on the edit line, then,

B-5: PRESS: RETURN

The template will now be loaded into RAM. This process will take approximately 40 seconds to complete. Then the disk drive will stop and the screen will remain blank for an additional 30 seconds. The template will then appear with the cursor in the 'operating instruction' area.

**C: ENTER THE DATA:**

C-1: We are now ready to enter values in the data entry section. The analyst should observe the cursor direction indicator, reset the direction if necessary so that the indicator is vertical (See the Visicalc Manual, page 1-2), then scroll the cursor down through the 'Operating Instruction' area. When the cursor reaches the 'Data Entry Area' the analyst should continue to scroll down (or right or left, as necessary) until the cursor occupies the space in which the data is to be entered. See the Visicalc Manual: Moving the cursor (page 1-2), and Scrolling the Window (page 1-2).

The analyst should now decide what data input values to select for the Template:

**DATA INPUT: IMPORTANT CONSIDERATIONS !**

**ACQUISITION MONTH**

The ACQUISITION MONTH is the month in which title is expected to be conveyed to the purchaser. The month may correspond with the calander year or with the investor's fiscal year. It should be expressed as a whole number between 1 and 12 (e.g. January=1; February=2, etc.; or 1 = 1st month of fiscal year; 2 = 2nd month of fiscal year, etc.).

**STARTING VALUE**

The STARTING VALUE is the taxpayers initial Cost

Basis. Remember that our purpose is to estimate the TAX depreciation (not economic depreciation) of the property. Therefore, the Starting Value must be determined according to rules promulgated by the Internal Revenue Service.

Your C.P.A. or tax attorney should be consulted when determining the Starting Value. Generally speaking, however, it is the amount of the purchase price that can reasonably be attributed to the depreciable assets. The land, of course, is not subject to depreciation and should be excluded from the Starting Value (cost basis).

**SALVAGE VALUE**

The SALVAGE VALUE of the property is the amount estimated to be received from the property when it is sold or otherwise divested at the end of it's useful life.

The Template requires that this value be expressed in dollars.

Remember that the Salvage Value is the amount of the ORIGINAL PURCHASE PRICE that could be expected to be received from the property at the conclusion of it's useful life. The Salvage Value is determined at the time of acquisition. It does not reflect the estimated future appreciation of the property that will result from inflationary pressures.

**USEFUL LIFE: YEARS**

The USEFUL LIFE: YEARS is the number of years

remaining in the useful life of the property, determined on the date of acquisition. The useful life of the property is the total period of years over which an asset may be depreciated for tax purposes.

Useful life is not necessarily the actual physical life of the asset, and the concept does not measure actual physical deterioration. The useful life is a matter of judgement for each individual taxpayer. Factors to consider include the age of the property at acquisition, the amount of use given to the property, wear and tear, the rate of economic change in the economy, and other factors which affect the remaining economic life of the property.

**D B METHOD: IN %**

The D B METHOD: IN % refers to the method of declining balance depreciation that will be used. Because there are restrictions on the use of the declining balance method, the analyst should consult his C.P.A. prior to selecting the method that will be applied to the subject property. The most commonly used declining balance depreciation percentages are 125%, 150% and 200% (200% is also known as the double declining balance method).

**C-2: TO ENTER DATA ON THE TEMPLATE:**

Go to the appropriate data entry location, type in the desired value, then;

PRESS RETURN.

OPERATING INSTRUCTIONS

DO NOT ENTER DATA ANYWHERE ON THE TEMPLATE EXCEPT IN THE DATA ENTRY AREA. IF THIS OCCURS, THE TEMPLATE MAY BE RUINED. To recover from this situation the analyst must clear the sheet, load a new (blank) Template, re-enter input data, and make any necessary changes in the alphanumerics.

**D: PERFORM THE COMPUTATIONS:**

D-1: PRESS: ! (ONE TIME).

After all data has been entered, the calculations are performed by pressing the exclamation mark ONE TIME. In approximately 45 seconds, the computations will be complete.

To see details of any of the methods, press the semi-colon (;) key to move the cursor into the lower window. Notice that the titles have been fixed in both directions so that the headings for each column as well as the number of the year are always visible.

**D-2: CHANGE VARIABLES AND RECALCULATE.**

Perhaps the most exciting feature of the VISICALC TEMPLATES is the ability to change any of the input variables and re-calculate based on the new data. Simply scroll the cursor back to the variable that is to be changed and type in the new value. If the cursor is in the lower window, remember to move it back into the data entry area by pressing the semi-colon ( ; ) key. After the data has been revised, recalculate by pressing the exclamation mark ( ! ) key.

**E: PRINT A REPORT.**

OPERATING INSTRUCTIONS

Refer to this manual, HOW TO PRINT A REPORT, for a discussion regarding printing the templates. Then scroll the cursor to a position immediately below the data entry area. The proper cursor locations for printing a report are located here. If the cursor is in the lower window, press the semi-colon (;) key to move the cursor back into the upper window.

NOTE: When printing reports with Visicalc the cursor location will be the upper-left-hand corner of the report. The PRINT command requires the user to specify the coordinates of the lower-right-hand corner.

**F: SAVE THE TEMPLATE ON A DISKETTE:**

The analyst may want to save the template for future reference. All of the instructions for computation of the template are saved in the process. Therefore, next time the analyst desires to run the template, it is not necessary to re-load the master (blank) template. Just load the template that has been saved, make changes in the data entry area as necessary, re-calculate the values, and print a report.

Prior to saving a template on a diskette, the analyst should refer to this manual, HOW TO SAVE A TEMPLATE.

# PERSONAL FINANCIAL STATEMENT

VISICALC TEMPLATES

## PERSONAL FINANCIAL STATEMENT

---

### FEATURES

* MAINTAIN YOUR FINANCIAL STATEMENT WITH VISICALC!

* FORMAT IS ACCEPTABLE TO MOST LENDING INSTITUTIONS

* REVISE THE STATEMENT IN JUST A FEW MINUTES

* PRINT THE REVISED STATEMENT, SUBMIT TO THE BANK

* MAINTAIN PERSONAL DATA (OCCUPATION, MARITIAL STATUS, INCOME, ETC.)

* PRESS ONE KEY, THE TEMPLATE CALCULATES:

  ... TOTAL ASSETS

  ... TOTAL LIABILITIES

  ... NET WORTH

  ... TOTAL LIABILITIES & NET WORTH

  ... SUPPLEMENTARY SCHEDULE TOTALS

* THE TEMPLATE MAINTAINS 7 SUPPLEMENTARY SCHEDULES

  ... SCHEDULE 1: BANKING RELATIONS

  ... SCHEDULE 2: ACCOUNTS, LOANS AND NOTES RECEIVABLE

  ... SCHEDULE 3: LIFE INSURANCE

THE CAPABILITIES

... SCHEDULE 4: STOCKS AND SECURITIES

... SCHEDULE 5: REAL ESTATE

... SCHEDULE 6: RETAIL CREDIT REFERENCES

... SCHEDULE 7: BROKERS MARGIN ACCOUNTS

**WHAT TO EXPECT**

The Personal Financial Statement Template provides a method for maintaining and revising your personal financial statement, accurately and with very little effort.

The unpleasant chore of updating your personal statement is usually accomplished at home, the night before the loan application is due at the bank. Now you can use Visicalc to maintain and update your statement in minutes. The Template does all the computations!

This Template provides the best opportunity for the user to learn to customize Visicalc Templates. In fact, the Template must be customized by the user during the process of setting it up for his own statement.

When it is loaded from the Master Visicalc Template Diskette the user will find that it is structured as a sample statement. The user must then make the appropriate changes in the date, names, address, personal information, assets, liabilities, and details of the seven supplementary schedules. The statement is now ready for use.

PERSONAL FINANCIAL STATEMENT
VISICALC TEMPLATES

THE CAPABILITIES

The initial process of setting up the statement takes less than an hour. The updates, however, are painless and fast. Just insert the new information, recalculate, and print a new statement.

The report consists of four letter size pages. Each page is 66 lines. The statement is ready for delivery to the lending institution as soon as it comes out of the printer!

PERSONAL FINANCIAL STATEMENT
VISICALC TEMPLATES

OPERATING INSTRUCTIONS

**A: LOAD THE VISICALC PROGRAM:**
See the VISICALC manual: Loading Visicalc.

**B: LOAD THE VISICALC TEMPLATE:**

B-1: Make sure the VISICALC program diskette has been removed. Return it to it's protected storage area.

B-2: INSERT THE VISICALC TEMPLATE DISKETTE #1.

NOTE: Do not use the master Visicalc Template Diskette. Make a copy and keep the master diskette in a safe place.

B-3: PRESS: / S L

B-4: PRESS: RIGHT or LEFT ARROW:

IT MAY BE NECESSARY TO PRESS THE ARROWS SEVERAL TIMES! THE NAMES OF THE TEMPLATES WILL APPEAR, ONE AFTER ANOTHER, ON THE EDIT LINE. KEEP PRESSING UNTIL:

PERSONAL FINANCIAL STATEMENT appears on the edit line, then,

B-5: PRESS: RETURN

The template will now be loaded into RAM. This process will take approximately 50 seconds to complete. Then the disk drive will stop and the screen will remain blank for an additional 2 seconds. The Template will appear with the cursor at the upper left hand corner of the Template. There is no 'operating instruction' or 'data entry'

area on the Personal Financial Statement Template.

**C: ENTER THE DATA:**

C-1: We are now ready to modify the Template with the data from the user's Personal Financial Statement. The analyst should observe the cursor direction indicator, reset the direction if necessary so that the indicator is vertical (See the Visicalc Manual, page 1-2), then scroll the cursor down (or right or left, as necessary) until the cursor occupies the space in which the data is to be entered.

During this process, the user should refer to the SAMPLE REPORT section of this manual. A copy of the Personal Financial Statement report is reproduced here. This will aid in locating the text and financial data to be modified.

Replace the text in the Sample Financial Statement with information that is pertinent to your Personal Statement. The user is free to add, delete, or modify any of the information on the Template. One word of caution, however, don't destroy formulas that exist at some of the locations where totals are calculated. If this happens, the user must reconstruct the formulas or reload the Sample Template and repeat the process of modifying the text.

The process of revising the Sample Statement will provide the user with valuable experience writing on the Template. If the user experiences problems he should refer to the Visicalc Manual (See page 1-6; Writing on the Elecronic Sheet).

PERSONAL FINANCIAL STATEMENT
VISICALC TEMPLATES

OPERATING INSTRUCTIONS

After the text has been modified, the user should enter the appropriate numeric data. To do this, move the cursor to the appropriate location, type in the desired value, then press RETURN. The data will be entered on the Template.

The user should be careful not to enter a number into a location already occupied by a formula. If this occurs the formula will be destroyed. To aid the user in determining whether or not a formula exists on a particular line, we have placed an asterisk immediately to the right of each row that contains a formula. The asterisks are located in column 'J'.

Any formula may be reviewed by placing the cursor in the location occupied by the formula. The formula will be displayed on the 'Entry Contents' line (See the reproduction of the Visicalc Screen on the Visicalc Reference Card).

The computations on a financial statement are not complicated. In fact, the computations are limited to addition and subtraction. The schedules are totaled, the totals are referenced from the first page, and the assets, liabilities, and net worth are calculated. If any formulas are destroyed the user should be able to reconstruct them with a minimum of effort.

This Template provides the user with the best opportunity to learn to modify and customize a Visicalc Template. Feel free to make any changes that make the Template reflect your Personal Financial Statement.

**D: PERFORM THE COMPUTATIONS:**

D-1: PRESS: ! ! (TWO TIMES).

After all data has been entered, the computations are performed by pressing the exclamation mark TWO TIMES. In approximately 5 seconds, the computations will be complete.

**D-2: CHANGE THE DATA AND RECALCULATE.**

Simply scroll the cursor back to the variable and/or text that is to be changed and type in the new value. After the data has been revised, recalculate by pressing the exclamation mark ( ! ) key TWO TIMES.

**E: PRINT A REPORT.**

Refer to this manual, HOW TO PRINT A REPORT, for a discussion regarding printing the templates. Then scroll the cursor to the UPPER LEFT HAND CORNER of the Template (coordinate A-1).

The direct cursor movement command may be used to relocate the cursor. This is especially useful when the cursor is at the bottom of the Template.

NOTE: When printing reports with Visicalc the cursor location will be the upper-left-hand corner of the report. The PRINT command requires the user to specify the coordinates of the lower-right-hand corner.

PERSONAL FINANCIAL STATEMENT
VISICALC TEMPLATES

OPERATING INSTRUCTIONS

**SAVE THE TEMPLATE ON A DISKETTE:**

The analyst will want to save the Template for future reference. All of the instructions for computation of the template are saved in the process. Therefore, next time the analyst desires to revise or print his Financial Statement, it will not be necessary to re-load the master (blank) Template. Just load the template that has been saved, make changes in the text as necessary, re-calculate the values, and print a report.

Prior to saving a template on a diskette, the analyst should refer to this manual, HOW TO SAVE A TEMPLATE.

# INCOME PROPERTY INVESTMENT ANALYSIS

**VISICALC TEMPLATES**

**INCOME PROPERTY INVESTMENT ANALYSIS**

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**FEATURES**

* DATA ENTRY IS EASY, STRAIGHTFORWARD

* REQUIRES ONLY RAW DATA! NO ADVANCE PREPARATION

* TEMPLATE PERFORMS A COMPLETE INVESTMENT ANALYSIS

* REPORT CAN BE USED AS A STAND-ALONE PRESENTATION

* REPORT CAN BE FOLDED & MAILED IN WINDOW ENVELOPE

* PROJECT FUTURE PERFORMANCE BY ENTERING NEW DATE!

* PRESS ONE KEY! - THE TEMPLATE CALCULATES:

...EQUITY REQUIREMENT (DOWN PAYMENT)

...RETURN ON EQUITY (IN %) BEFORE INCOME TAX

...RETURN ON EQUITY (IN %) AFTER INCOME TAX

...INCOME SCHEDULE:

... A) ADJUSTED RENTAL RATES PER LEASE AGREEMENTS

... B) ANNUAL GROSS INCOME

... C) VACANCY ALLOWANCE

... D) EFFECTIVE GROSS INCOME

... E) BUILDING EFFICIENCY

INCOME PROPERTY INVESTMENT ANALYSIS
VISICALC TEMPLATES

THE CAPABILITIES

...EXPENSE SCHEDULE:

... A) EXPENSE ADJUSTMENT FACTOR

... B) REAL ESTATE TAX LIABILITY

... C) MANAGEMENT FEE

... D) OTHER INFLATION ADJUSTED EXPENSES

... E) EXPENSES PER SQUARE FOOT

... F) NET OPERATING INCOME

...MORTGAGE LOAN ANALYSIS:

... A) AGE OF MORTGAGES ON ANALYSIS DATE

... B) PRINCIPAL BALANCE AT ACQUISITION

... C) MONTHLY PAYMENTS

... D) ANNUAL DEBT SERVICE

... E) MORTGAGE CONSTANTS

... F) PRINCIPAL BALANCE (PV) AT ANALYSIS

... G) PRINCIPAL: TOTAL SINCE ACQUISITION

... H) INTEREST: TOTAL SINCE ACQUISITION

... I) PRINCIPAL: DURING PAST 12 MONTHS

... J) INTEREST: DURING PAST 12 MONTHS

INCOME PROPERTY INVESTMENT ANALYSIS
VISICALC TEMPLATES

THE CAPABILITIES

...INCOME APPROACH VALUATION OF THE PROPERTY

...COST APPROACH VALUATION OF THE PROPERTY

... A) REPLACEMENT COST INCREASE FACTOR

... B) ADJUSTED VALUE AT ANALYSIS

... C) ACCUMULATED ECONOMIC DEPRECIATION

...STRAIGHT LINE DEPRECIATION, OR
...DECLINING BALANCE DEPRECIATION, OR
...SUM-OF-THE-YEARS-DIGITS DEPRECIATION

... A) REMAINING DEPRECIABLE LIFE

... B) STARTING BOOK VALUE

... C) SALVAGE VALUE

... D) ACCUMULATED DEPRECIATION

... E) REMAINING DEPRECIABLE VALUE

... F) DEPRECIATION: PAST 12 MONTHS

...FEDERAL INCOME TAX COMPUTATION

... A) INTEREST DEDUCTION

... B) DEPRECIATION DEDUCTION

... C) TAXABLE INCOME

INCOME PROPERTY INVESTMENT ANALYSIS
VISICALC TEMPLATES

THE CAPABILITIES

... D) INCOME TAX LIABILITY

...PROJECTED EQUITY POSITION: 2 METHODS

... A) EQUITY PLUS CUM PRINCIPAL REDUCTION

... B) MARKET VALUE LESS PV OF DEBT

**WHAT TO EXPECT**

The INCOME PROPERTY INVESTMENT ANALYSIS TEMPLATE provides the analyst with an extremely powerful tool for evaluating income property investments. The Template frees the analyst from ALL of the time consuming calculations associated with the evaluation of an income property that were once a major undertaking, even for experienced appraisers, and, the Template never makes a mistake!

The Template is designed to analyze just about any income property, including office buildings, shopping centers, and rental apartments. The Template is provided in three versions, one for each commonly used method of depreciation. When the name of the Template is displayed on the edit line, the suffix will indicate the method of depreciation. SL = STRAIGHT LINE; DB = DECLINING BALANCE (any %); and SOYD = SUM-OF-THE-YEARS-DIGITS. The Template does not automatically choose the best method of depreciation, therefore, the analyst should decide which method will be used for the duration of the analysis period and select the appropriate Template.

There are two limitations: First, the Template can process a maximum of three mortgages at any one

time. Second, the Template is designed for a maximum of fourteen tenants, or fourteen classes of income. Most properties, however, do not exceed these limitations.

To operate the template the analyst enters the basic data at the appropriate positions in the Data Entry Area, then, with the stroke of a single key, the Template calculates over 135 values, many of which require sophisticated mathematical operations. The net result is a complete analysis of all of the key financial components of an income property, current for the twelve month period ending with the analysis month and year.

Alternative investment configurations may be evaluated simply by entering a new value at any data input location. This ability to play 'what if' allows the analyst to structure the investment in the configuration most likely to accomplish his objectives. Initial data entry takes about 5 minutes, calculation of all values occurs in less than 30 seconds. In a short session, the analyst can evaluate the effect of numerous combinations of financing, sales price, inflation rate, depreciation techniques, changes in income and expenses, and other investment components. The analyst performs many thousands of error-free calculations, all without a single pencil or piece of paper. Instead, the Template is used as the worksheet. Once satisfied the investment is structured in the most profitable manner, the analyst may print a detailed report that is suitable for mailing to prospective investors or brokers.

Future performance of the investment may be projected merely by entering a new analysis date!

## THE CAPABILITIES

The debt structure is brought current, future increases in income, expenses, and property valuation are calculated, and the income property is evaluated as of the new date. The analyst is free to explore the financial future of the property, accurately, and at will.

## SAMPLE INCOME PROPERTY ANALYSIS

A sample income property analysis has been provided on the diskette containing the Income Property Investment Analysis Templates. It is a hypothetical office complex similar to several existing properties in Palm Beach County, Florida. Some of the assumptions may vary, depending upon your geographic area, however, the concept will remain intact. To adjust the assumptions to reflect your local real estate market you should refer to this manual, in the section titled 'INCOME PROPERTY INVESTMENT ANALYSIS- DATA ENTRY: IMPORTANT CONSIDERATIONS' for a discussion of the derivation of each category.

To use the sample Template: follow the operating instructions regarding loading the Templates. The name of the sample template is - INCOME PROPERTY: SAMPLE.

The most important function of the sample Template is to illustrate how the analyst may change any of the input data and recalculate based on the altered parameters. Therefore, when the sample Template has been loaded, the analyst should go to the data entry area and locate the section regarding mortgage loan input data. You will notice that the interest rates are unrealistically low. Enter interest rates that are currently available, press the recalculation key ( ! ) once, and notice the effect on the Projected Investment Position. This same proceedure may be followed for any or all of the input data thus allowing a complete review of the possible investment configurations of the property. Once the analyst is comfortable with the function of the Template, he should be ready to enter data pertaining to one of his own properties.

INCOME PROPERTY INVESTMENT ANALYSIS
VISICALC TEMPLATES

OPERATING INSTRUCTIONS

**A: LOAD THE VISICALC PROGRAM:**
See the VISICALC manual: Loading Visicalc.

**B: LOAD THE VISICALC TEMPLATE:**

B-1: Make sure the VISICALC program diskette has been removed. Return it to it's protected storage area.

B-2: INSERT THE VISICALC TEMPLATE DISKETTE #2.

NOTE: Do not use the master Visicalc Template Diskette. Make a copy and keep the master diskette in a safe place.

B-3: PRESS: / S L

B-4: PRESS: RIGHT or LEFT ARROW:

IT MAY BE NECESSARY TO PRESS THE ARROWS SEVERAL TIMES! THE NAMES OF THE TEMPLATES WILL APPEAR, ONE AFTER ANOTHER, ON THE EDIT LINE. KEEP PRESSING UNTIL THE NAME OF THE DESIRED TEMPLATE IS ON THE EDIT LINE:

INCOME PROPERTY ANALYSIS: SL ,or
INCOME PROPERTY ANALYSIS: DB ,or
INCOME PROPERTY ANALYSIS: SOYD ,or
INCOME PROPERTY: SAMPLE

then,

B-5: PRESS: RETURN

The Template will now be loaded into RAM. The

process will take approximately 65 seconds to complete. Then the disk drive will stop and the screen will remain blank for an additional 20 seconds. The Template will then appear with the cursor in the data entry area. Due to limitations in the available memory (even with a 48K configuration), The Income Property Analysis Templates do not have 'operating instruction' areas like the other Templates in the Real Estate Analyst Series.

NOTE: If the analyst is loading a Template which has been previously saved along with all it's values and changes in alphanumerics, it is possible that it will not fit in the memory from a cold start. To remedy this situation, load a Blank Template, then clear the sheet and try again to load the previously saved Template.

**C: ENTER THE DATA:**

C-1: We are now ready to enter values in the data entry area. When the Template appears in the window, the cursor will be located in the 'Acquisition Year' data position. The analyst should enter the 'Acquisition Year', then the remaining data should be entered. To accomplish this, scroll the cursor down the sheet (and right or left, as necessary) to each 'data entry' location, enter the appropriate value, then,

PRESS: RETURN

NOTE: See the 'Sample Reports' section of this manual for a reproduction of the data entry area of each Template.

OPERATING INSTRUCTIONS

NOTE: Refer to the following section of this manual (Data Entry, Important Considerations) for a discussion of the derivation of each data entry category.

NOTE: Due to limitations in the available memory, the 'scratch pad' area of the Template was located immediately adjacent to the 'data entry' area. The 'Scratch Pad' area is used for intermediate processing and storage of the results. IT IS EXTREMELY IMPORTANT NOT TO TYPE OVER ANY VALUE IN THE 'SCRATCH PAD' AREA. IF THIS OCCURS, THE TEMPLATE WILL NOT PRODUCE RELIABLE RESULTS. TO RECOVER FROM AN ACCIDENT OF THIS NATURE, THE ANALYST MUST LOAD A BLANK TEMPLATE, RE-ENTER THE DATA, AND MAKE THE APPROPRIATE CHANGES IN THE ALPHANUMERICS.

For further information on scrolling the cursor, see the Visicalc Manual: Moving the cursor, and Scrolling the Window.

C-4: CUSTOMIZE THE LABELS:

The analyst may customize any of the labels (alphanumerics) anywhere on the Template to fit his individual needs. This may include the names of the lessees, changes in expense categories (other than real estate taxes and management fees), analysis date, name of the property, location of the property, or other alphanumeric titles. THE ANALYST MUST NOT CHANGE ANY NUMERIC VALUE OUTSIDE THE DATA ENTRY AREA! THIS WILL DESTROY THE FUNCTION OF THE TEMPLATE!

**D: PERFORM THE COMPUTATIONS:**

OPERATING INSTRUCTIONS

D-1: PRESS: ! (ONE TIME).

After all data has been entered, the calculations are performed by pressing the exclamation mark ONE TIME. In approximately 25 seconds, the lower window will indicate the PROJECTED INVESTMENT POSITION as of the date of the analysis!

The PROJECTED INVESTMENT POSITION is a display of the projected financial position of the property resulting from the analyst's configuration of the input variables. The projections are current for the 12 month period ending on the analysis date.

NOTE: For a detailed discussion of the results and methods of computation - turn to INCOME PROPERTY INVESTMENT ANALYSIS: THE RESULTS, WHAT THEY MEAN.

To move the cursor into the lower window, press the semi-colon (;) key. The cursor will immediately jump from one window into the other each time this key is pressed.

A complete Cash Flow Analysis is available to the analyst. It is located adjacent to the Projected Investment Position in the lower window. TO SEE THE CASH FLOW ANALYSIS, move the cursor into the lower window, and scroll the cursor to the RIGHT until the entire lower window has is filled with the cash flow data. It is possible to position the windows so that the PROJECTED INVESTMENT POSITION is in one window and the CASH FLOW ANALYSIS is in the other. This is a convenient way to see all of the key values simultaneously.

To see other results, refer to the sample printout for the Template in use and scroll to the desired

location.

D-2: CHANGE VARIABLES AND RECALCULATE.

Perhaps the most exciting feature of the INCOME PROPERTY INVESTMENT ANALYSIS Template is the ability to change any of the input variables and re-calculate the projected investment position based on the new data. The analyst can review any number of investment scenarios quickly and easily. This is most helpful when the analyst is exploring various alternative interest rates, dates of analysis, and percentage increases in income, expenses, and inflation rates. Simply scroll the cursor back to the variable that is to be changed and type in the new value. Then recalculate by pressing the exclamation mark ( ! ) key. In approximately 25 seconds the resulting investment position will be displayed!

**E: PRINT A REPORT.**

Refer to this manual, HOW TO PRINT A REPORT, for a discussion regarding printing the templates Then scroll the cursor to coordinate A76. This is the upper left-hand corner of the first page of the report. The important coordinates are:

| | | |
|---|---|---|
| PAGE ONE: | UPPER LEFT CORNER | A76 |
| | LOWER RIGHT CORNER | H153 |
| PAGE TWO: | UPPER LEFT CORNER | A153 |
| | LOWER RIGHT CORNER | H230 |

NOTE: When printing reports with Visicalc the cursor location will be the upper-left-hand corner

of the report. The PRINT command requires the user to specify the coordinates of the lower-right-hand corner.

The report may be printed as one continuous page or as two legal size pages. If one continuous page is desired, the analyst should place the cursor in the indicated position for page one, then specify the lower right hand corner of the SECOND page.

NOTE: Some printers need an additional line feed, no line feed at all, or a 'setup string' of special print instructions. Don't worry if you have trouble getting the printer to perform as desired the first time you attempt to print a report. The Visicalc 'print' command is extremely versatile: If any unexpected or undesirable results occur, see this manual, HOW TO PRINT A REPORT.

It is also possible to print a portion of a page. The cursor is located at the upper left hand corner of the portion to be printed, then the print instruction is invoked and the lower right hand corner of the desired report is specified. The analyst then presses RETURN to print.

If the analyst desires an ANNUAL SUMMARY (See this manual, SAMPLE REPORTS) of the Investment Analysis report, he should calculate the first year to be displayed. A report is now printed down to the last line of the 'Projected Investment Position/Cash Flow Analysis' section. Then a new analysis date (usually one year after the previous date) is specified in the Data Entry Secton, the recalculation key (!) is pressed, and values for the next year are calculated. Without moving the paper in the printer, a report is printed by placing the cursor at the upper left hand corner of

the 'Projected Investment Position/Cash Flow Analysis' section (omit the header this time), then specify the right column of the last line of this section as the lower right hand corner. A detailed summary of up to four years may be printed on each legal-size page.

**F: SAVE THE TEMPLATE ON A DISKETTE:**

After all his effort, the analyst may want to save the template for future reference. All of the instructions for computation of the template are saved in the process. Therefore, next time the analyst desires to run the template, it is not necessary to re-load the master (blank) template. Just load the template that has been saved, make changes in the data entry area as necessary, re-calculate the values, and print a report.

Prior to saving a template on a diskette, the analyst should refer to this manual, HOW TO SAVE A TEMPLATE.

# INCOME PROPERTY INVESTMENT ANALYSIS: DATA ENTRY

DATA ENTRY: IMPORTANT CONSIDERATIONS

## SELECTING THE VALUES

This section is provided as a reference for the analyst during the preparation of data for evaluation of an income property. The data entry categories are explained in detail and the analyst is guided through explanations regarding the derivation of the input values. If the analyst will take the time to study and follow the guidelines set forth in this section, he will produce a comprehensive and detailed income property investment analysis comparable in quality with a professionally prepared analysis.

The categories are arranged in the order of their appearance during the process of data entry.

## ACQUISITION DATE

The ACQUISITION DATE is the month and year on which title is expected to be conveyed to the purchaser. If the analyst is projecting the feasability of developing an income producing property, he should enter the month and year on which the certificate of occupancy is expected to be issued. The month should be expressed as a whole number between 1 and 12 (January=1; February=2, etc.). The year may be expressed either by the last two digits (eg. 81), or by all four digits (eg. 1981). If the analysis date bridges the turn of the century, all four digits MUST be used. It is very important to be consistent in the form used for designation of the year. USE THE SAME FORM THROUGHOUT OR YOU WILL PRODUCE ERROR CONDITIONS.

DATA ENTRY: IMPORTANT CONSIDERATIONS

## ANALYSIS DATE

The ANALYSIS DATE is the month and year on which the performance of the property is evaluated. The analyst should be careful to select a date at least 12 months subsequent to the acquisition (or completion) date. If a mortgage has been changed, or if a new mortgage has been placed on the property since the date of acquisition, an analysis date should be selected that is at least 12 months subsequent to the most recent change in debt structure. This is necessary to make sure that the template develops one full year of experience for each mortgage. If we have less than one full year of payments, the interest deduction may be too low, thus causing an overestimation the income tax liability.

## DATES - GENERAL NOTES

The dates required by this template are expressed in terms of month and year. The Template assumes that all events occur on the first day of the month.

The actual day of the month should be ignored unless the analyst knows the exact day on which ALL time-related events occur.

If all of the exact dates are known, and if the analyst desires a rigorous approach, he should enter the number of the month according to the following rule: If the event occurs during the first fifteen days of the month, enter the number of that month (1=January; 2=February; etc.). If the event occurs after the fifteenth day of the month, enter the

DATA ENTRY: IMPORTANT CONSIDERATIONS

number of the subsequent month. For example: an event which takes place on the 17th day of March would be recorded as occuring in month #4 (instead of month #3), whereas an event that takes place on the 5th of July would be recorded as occuring in month #7.

This rule will slightly improve the overall accuracy of the analysis because the largest possible differential between the actual date of an event and the date used in the analysis will be 16 days.

We feel, however, that this attempt toward greater accuracy will not signifigantly benefit the analyst, except for evaluation of the past history of properties where all time-related values are known.

The analyst does not normally deal with numbers that enjoy a high degree of reliability, especially those estimates of future values based on annual percentage increases. The implied accuracy of exact dates could easily lull the analyst into a false sense of security regarding the probability that his projections will actually occur as forcast.

The analyst should always maintain an awareness of the fact that the actual performance of an income property is subject to many unforseen circumstances that will undoubtedly cause variances from his projections. Therefore, we recommend that the user simply enter the number corresponding to the month and year in which a particular event occurs.

DATA ENTRY: IMPORTANT CONSIDERATIONS

**PURCHASE PRICE**

The PURCHASE PRICE is the amount of money actually paid or asked for a property. If the property subject to analysis is already in the investors portfolio, this value will be the total purchase price, excluding real estate commissions and other costs of acquisition, that the investor paid for the property at closing. If the analyst is in the process of negotiating the purchase of a property, he should select a value that corresponds with the price he intends to pay for the property. If the analyst is offering the property for sale, his objective will be to select the highest possible sales price that will provide a sufficient return on the required equity investment to induce the purchaser to buy the property.

In most instances the purchase price is a figure subject to intensive negotiation, however, it should fall within the range of it's justifiable market value. Market Value is defined as that price which the property would likely bring if exposed for sale on the open market assuming that a reasonable time is allowed to find a buyer, that the buyer and seller are fully informed, and neither party is under undue pressure to sell or buy.

**COST OF ACQUISITION / SALE**

The COSTS OF ACQUISITION OR SALE are those costs associated with the evaluation, negotiation, and sale of a property. These costs will vary extensively in amount and nature, however, they should not include expense prorations that should be treated as first year operating expenses. Costs of acquisition or sale commonly include real estate

commissions, appraisal fees, attorney's fees, recording costs, documentary stamps, title insurance, mortgage application fees, loan committment fees, points paid at closing, and other related items. The COSTS OF ACQUISITION OR SALE should be assessed only during the year in which they occur! This occurs usually during the first or last year of property ownership.

**LAND AREA**

The LAND AREA should be expressed in acres, rounded to the nearest 1/100th acre.

**GROSS BUILDING AREA**

The GROSS BUILDING AREA is the total area of all structures that are (or will be) existing on the property during the period of analysis. All building areas should be included, regardless of the function of the space. The rentable area will be calculated separately by the Template.

**LAND COST AT ACQUISITION**

LAND COST AT ACQUISITION is an expression of the fair market value of the LAND, considered by itself on the date of acquisition. DO NOT INCLUDE THE VALUE OF THE BUILDING IN THIS FIGURE!

This value should be determined by locating recently sold land in the same market area which is comparable to the land on which this income property is located. Compare each comparable sale with the subject property, adjusting the sales

price in each case to compensate for any significant differences between the subject property and the comparable sale. The analyst should then draw a conclusion as to the value of the subject property on the basis of the adusted sales price of the comparable properties. This value should be written in terms of dollars per square foot.

**BUILDING COST AT ACQUISITION**

The building cost at acquisition is the estimated cost to reproduce the building on the date of acquisition (or completion). It is also called the 'replacement cost' value of the building. It should be expressed in dollars/square foot ($/sq ft) and is easily obtainable from appraisers, estimators, and cost reporting services.

The analyst should be careful not to confuse actual (original) cost, market value, and building cost at acquisition. If the building is new, the actual (orginal) cost is equal to the Building Cost At Acquisition. If the building is not brand new on the date of acquisition, chances are that the actual (original) cost of a building will be less than the Building (replacement) Cost At Acquisition. The market value is not directly related, it may be higher or lower. The analyst should include in this value, costs of site preparation, underground utilities, actual building costs, paving, and other site improvements. This figure should NOT include the soft costs associated with the development of the property (see 'SOFT COSTS'). The easiest method of obtaining this value is to estimate the amount of a construction contract that would be obtained through the competitive bid process to

replace all the buildings on the date of acquisition. The amount of this hypothetical construction contract is then divided by the gross building area and is expressed in dollars/square foot ($/sq ft).

## SOFT COSTS

The soft costs are those expenses associated with the construction of a building that are not direct building costs. Soft costs include architectural, engineering, and legal fees, construction loan committment fees, points, interest, building permits and impact fees, and administrative payroll. Soft costs, however, are not limited to these categories.

The analyst should be careful not to confuse soft costs associated with the construction of the building with expenses that are more appropriatly labeled 'annual operating expenses'.

The Template requires that the soft costs be expressed in terms of a percentage of the building replacement cost. A rule of thumb is that the soft costs equal approximately fifteen to twenty percent (15% - 20%) of the building replacement cost. These rule of thumb percentages may be used, or the analyst may list the soft costs, estimate each one individually, divide the resulting total by the building replacement cost, and multiply by 100. The resulting percentage figure should then be entered on the Template as a whole number between 1 and 100 (e.g. 15 = 15%).

DATA ENTRY: IMPORTANT CONSIDERATIONS

**BUILDING/LAND REPLACEMENT COST: ANNUAL % INCREASE**

This value is the anticipated annual percentage increase in the replacement cost of the property. In other words this is the expected annual rate of inflation in the cost of replacing (or duplicating) the property. This rate will vary depending on the nature of the property and it's geographic location, however, in recent years the rate of inflation of property values in Southeast Florida has been (conservatively) between eight percent per year (8%/yr) and fifteen percent per year (15%/yr).

While this gain in apparent value may be exciting to the analyst, it generally corresponds with the approximate rate of inflation prevailing in our economic system. The frightening long term effect of double digit inflation rates may be observed by analysis of the property twenty or thirty years subsequent to the acquisition date. The future values are especially disturbing when it is pointed out that they may not represent any significant increase in real value.

**DEPRECIABLE LIFE OF THE PROPERTY**

The depreciable life of the property is the number of years remaining in the useful life of the property. The useful life of the property is the total period of years over which an asset may be depreciated for tax purposes. Useful life is not necessarily the actual physical life of the asset, and the concept does not measure actual physical deterioration. The useful life is a matter of judgement for each individual taxpayer. Factors to consider include the age of the property at acquisition, the amount of use given to the

property, wear and tear, the rate of economic change in the economy, and other factors which affect the remaining economic life of the property.

**DEPRECIATION FACTOR**

The depreciation factor refers to the method of declining balance depreciation that will be used to determine the depreciation deduction during the computation of Federal Income Taxes. Because there are restrictions on the use of the declining balance method, the analyst should consult his C.P.A. prior to selecting the method that will be applied to the sbject property. The most commonly used declining balance depreciation percentages are 125%, 150% and 200% (200% is also known as the double declining balance method).

**SALVAGE VALUE**

The SALVAGE VALUE of the property is the amount estimated to be received from the property when it is sold or otherwise divested at the end of it's useful life.

The Template requires that this value be expressed as a percentage of the building cost (replacement cost) of the property at acquisition. Enter the percentage figure as a whole number between 1 and 100 (e.g. 15 = 15%).

**INCOME TAX BRACKET**

The income tax bracket is the estimated marginal income tax rate for the person (or other legal

entity) entitled to claim depreciation as a deduction from taxable income. The tax rate will vary depending on whether the property is owned by a partnership, corporation, individually, or in some other manner. An estimated marginal income tax rate may be obtained from a C.P.A. or attorney familiar with the form of ownership of the property.

**VACANCY ALLOWANCE**

The vacancy and collection allowance is expressed as a percentage of the potential gross income. It could be zero if the entire property is occupied under a long term lease to a financially responsible tenant, or it could be as high as 50% or more in the case of a seasonal property. However, the vacancy and collection loss allowance normally varies from 2% to 15% of the potential gross income. The amount of the allowance will vary with the type of property, the neighborhood, and the class of tenant. It is normally estimated by a review of the past operating experience of the subject property and losses experienced by comparable properties in the same market area. Vacancy and collection loss experience for comparable properties may be obtained from investors, brokers, managers, and lending institutions.

**CAPITALIZATION RATE**

The income approach valuation is a technique designed to place a value on the income stream generated by an income producing property. The property value is calculated by dividing the net operating income by the capitalization rate.

DATA ENTRY: IMPORTANT CONSIDERATIONS

In theory, the capitalization rate is the percentage return that the typical investor would expect on his capital investment plus an additional percentage designed to recapture the capital investment during the remaining economic life of the property.

However, in practice, capitalization rates are determined by current real estate market conditions. High demand generates low capitalization rates and high prices. Real estate markets with less pressure from demand normally use capitalization rates that are higher, and more in line with the theory of capitalization rate formation. In Southeast Florida, the capitalization rates that are currently accepted for use in the income approach valuation range from 8.5% to 10.5%. The analyst should consult with a local real estate appraiser, broker, or banker, to determine the rate that is currently in use in his market area.

**MORTGAGES**

Each of the INCOME PROPERTY INVESTMENT ANALYSIS TEMPLATES have been designed to analyze up to three simultaneous mortgages on the property.

THE MORTGAGES ARE ASSUMED TO BE AMMORTIZED MONTHLY (End of period payment).

This is by far the most common type of loan. The annual interest expense, however, for a loan ammortized on a monthly basis is lower than for loans ammortized on a quarterly, semi-annual, or annual basis (assuming the same interest rate).

DATA ENTRY: IMPORTANT CONSIDERATIONS

Therefore, if the analyst chooses to use the Template to evaluate properties that have mortgages with lower payment frequencies, he should be aware that the results will be slightly better than they should be. This is due to the fact that the interest expense charged by the Template is lower than the interest that would actually accrue. The analyst should enter the principal amount, annual percentage rate (APR), term in years, date on which the mortgage was made, and the balloon amount, if any, for each mortgage.

THE DATES OF THE MORTGAGES MUST CORRESPOND IN FORMAT WITH THE DATES OF ACQUISITION AND ANALYSIS.

The mortgages may be dated either prior to, at, or after the date of acquisition of the property.

If the mortgage is an interest-only mortgage it should be treated as a balloon mortgage, the balloon amount being equal to the principal amount.

**PRINCIPAL AMOUNT** is the ORIGINAL amount of the mortgage, not the principal balance at acquisition. The Template will calculate and display the principal balance of the mortgage on the date of acquisition.

**ANNUAL % RATE** is the annual percentage rate. The Annual Percentage Rate is expressed as a whole number between 1 and 100 (e.g. 15 = 15%).

**TERM: IN YEARS** is the number of years over which the mortgage is to be ammortized. This may be any number of years.

DATA ENTRY: IMPORTANT CONSIDERATIONS

**BALLOON PAYMENT AMOUNT** is the remaining principal balance at the end of term of the loan.
The analyst should be careful to select an analysis date that is at least one year subsequent to the date of the most recent mortgage (see: Analysis Date). If the mortgage is an interest-only mortgage it should be treated as a balloon mortgage, the balloon amount being equal to the principal amount.

One of the most powerful featuresof this Template is that the analyst is free to explore the effect of various combinations of financing on the performance of investment. Various debt structure configurations should be examined until the most profitable structure has been determined.

**LEASE INCOME**

The INCOME PROPERTY ANALYSIS Templates are capable of evaluating income properties with up to fourteen lessees or fourteen classes of income. If the subject property has more than fourteen lessees, the analyst should group together those lessees that pay the same rent per square foot and who are subject to the same schedule of annual percentage annual increases.

The analyst should enter the square footage of each rental unit (or the square footage of each class of income, e.g., all lessee's that pay $7.00/SF).

The analyst should then enter the rental rate. This is expressed in dollars per square foot of leased space per year ($/SF/YR).

Finally, the annual percentage increase in the rent should be entered. If the lease does not call for a percentage increase, a zero should be entered in this space.

If the lease for a particular space is for only one year (or less), the analyst should anticipate that the space will be leased to another tenant upon the termination of the existing lease. In this event, the anticipated average annual percentage increase in rental rates for similar space within the market area should be entered.

Of course, if the space is likely to be subject to frequent changes in tenants, the analyst should select a higher vacancy allowance percentage that adequately reflects the increased risk (See Vacancy Allowance).

**ESTIMATED ANNUAL EXPENSES:**

The analyst should attempt to anticipate all expenses that the property will incur during the current fiscal year. These expenses are 'operating expenses' and should not be confused or combined with expenses associated with the construction, purchase, or sale of the property. The analyst should list all of the expenses that are anticipated to be incurred by the property, then classify each of them into the most appropriate expense category provided in the data entry area.

Since each property is a unique entity it is possible that the analyst would desire to combine, delete, or change certain categories. The analyst should feel free to customize any category from INSURANCE through MISCELLANEOUS. If the category

is changed in the data entry area, the analyst should be certain to make a corresponding change in the expense schedule. (NOTE: DO NOT CHANGE REAL ESTATE TAX RATE, ASSESSMENT %, OR MANAGEMENT FEE % !)

**ANNUAL PERCENTAGE INCREASE**

This value should reflect, as close as possible, the anticipated percentage increase in expenses to be expected during each year after the base year. The base year is the first 12 month period for which expenses have been estimated. The base year expenses are the expenses which have been entered in the data entry section.

**REAL ESTATE TAX RATE**

The real estate tax rate is expressed in mills. A mill is 1/10 of a cent or 1/1000 of a dollar. The millage rate for the area in which the income property is located may be determined by contacting the local tax assessor or by refering to a recent tax bill for the subject property.

**ASSESSMENT (% OF REPLACEMENT COST)**

As most investors are aware, the assessed value of a property rarely equals its' replacement cost. Fortunately, the assessed value is usually lower than the replacement cost. In order to accurately estimate the tax bill it is necessary to determine what the assessed value of the property is likely to be. THIS IS EXPRESSED AS A PERCENTAGE OF THE REPLACEMENT COST.

If the property has previous tax bills from which we can extract data, it is a simple matter to determine this value. Simply divide the assessed value by the replacement cost and multiply by one hundred. If previous tax bills are not available, the analyst must estimate this percentage to the best of his ability.

**MANAGEMENT FEE**

The management fee is expressed as a percentage of gross income. This is the normal method of payment for a management company that is under contract to manage an income property. The fee is determined entirely through negotiation between the management company and the property owner. In Southeast Florida a management fee between 4% and 10% is common depending upon the size of the property and degree of services performed.

Remember that all properties should be charged with a management fee, even if the management functions are performed by the investor. A charge for management will always be made by an appraiser.

**INSURANCE**

The analyst should enter the estimated annual property and casualty insurance premium. This value may be obtained by reviewing previous insurance bills or by asking a local insurance agent for a current estimate.

**SITE MAINTENANCE**

This category includes all direct expenses for maintenance of the property. This includes, but is not limited to, lawn maintenance, parking lot sweeping and re-striping, sign maintenance, replacement of light bulbs, and reserves for replacement and repair.

**ELECTRICITY**

The charges for electricity should be limited to the electric bills which the landlord is responsible to pay. The leases may be structured so that the tenant is directly responsible to pay the utility company if his space is individually metered. The other end of the spectrum would have the landlord responsible for all electric bills. In any event, the analyst should determine the estimated annual expense for electricity that the property owner will be responsible to pay.

**WATER AND SEWER**

The charges for water and sewer are similar to those for electricity in that they may either be the resopnsibility of the tenant or of the property owner. The analyst should enter the annual estimated expense for water and sewer that the property owner is expected to incur.

**LEGAL AND ACCOUNTING**

This expense category includes all legal and accounting fees that can justifiably charged against the property during a typical year of

operation. Legal fees are often incurred during adverse proceedings with tenants, preparation of leases and contracts, and during the sale or purchase of a property. This expense category should not include legal fees associated with the sale or purchase of a property. Those fees should be included with the COST OF ACQUISITION/SALE.

The accounting fees are usually incurred during preparation of financial statements and tax returns.

**ADVERTISING**

This category includes all expense items related to the process of advertising for potential lessees and for other public relations expenses.

**OFFICE EXPENSES AND SUPPLIES**

All administrative expenses, excluding payroll and other expenses already included in the MANAGEMENT FEE, should be charged to this category. The division of expenses between these two closely related categories is left to the discretion of the analyst.

**MISCELLANEOUS EXPENSES**

All expenses that do not fit anywhere else are charged to MISCELLANEOUS EXPENSES. However, it is recommended that the analyst not succumb to the temptation to load this category with expenses that could reasonably be charged to other expense categories.

DATA ENTRY: IMPORTANT CONSIDERATIONS

The analyst should always include an item in this category for contingency expenses. The one certainty in estimating annual expenses seems to be that the property owner will spend more than he has anticipated due to unexpected and unforseen occurances.

# INCOME PROPERTY INVESTMENT ANALYSIS: THE RESULTS, WHAT THEY MEAN

INCOME PROPERTY
INVESTMENT ANALYSIS:
THE RESULTS.
WHAT THEY MEAN

## INTERPRETING THE RESULTS

The INCOME PROPERTY INVESTMENT ANALYSIS Templates perform thousands of calculations during the process of determining the Projected Investment Position. This section of the manual has been provided as a reference to the various assumptions and methods used by the Templates during this process.

The categories are arranged in alphabetical order.

## ACCUMULATED ECONOMIC DEPRECIATION

Economic depreciation is the actual loss in the value of an asset. The loss in value may be caused by physical deterioration, functionl obsolescence, or it may be due to changes brought about by environmental or economic forces. (economic obsolescence). Economic depreciation differs from tax depreciation in that economic depreciation is an actual loss in property value whereas tax depreciation is a statuatory concept that permits the recovery of the tax basis of an asset over its useful life.

During the appraisal process, the Template should theoretically measure physical deterioration, functional obsolescence, and economic obsolescence. However, since functional obsolescence and economic obsolescence are matters of judgement which do not readily reduce to mathematical terms, we have limited the determination of economic depreciation to a measurement of the estimated physical deterioration of the property.

The Template calculates this value by determining the percentage of the useful life of the property which has expired on the analysis date. The resulting factor is then multiplied times the indicated replacement cost on the analysis date.

This method differs from computation of straight line tax depreciation because after the factor of the expired useful life is determined, it is multiplied times the replacement cost of the depreciable assets rather than the owner's tax basis.

**ACCUMULATED TAX DEPRECIATION**

The Income Property Investment Analysis Template is provided in three versions, depending upon the method used to calculate the tax depreciation. The three available methods are: Straight Line Depreciation, Declining Balance Depreciation, and Sum-of-the-Year's-Digits Depreciation.

The STRAIGHT LINE DEPRECIATION method is based on the assumption that a building looses it's value at a uniform rate each year of it's useful life. It is determined by calculating a factor which represents the percentage of the expired useful life of the depreciable assets. This factor is then multiplied times the owner's estimated cost basis.

The cost basis is determined according to rules promulgated by the Internal Revenue Service. In general, the cost basis is considered to be that portion of the purchase price which can reasonably be attributed to depreciable assets (not land). In

some cases, the cost basis may be altered due to certain investment tax credits, however, the Template makes no provision to take this into consideration.

The Template calculates the estimated cost basis by determining the portion of the purchase price that is attributable to the land. This figure is then subtracted from the total purchase price. The theory is that the remaining portion of the purchase price represents the taxable basis of the depreciable assets.

DECLINING BALANCE DEPRECIATION is a method that depreciates the property at a constant annual rate, which may be up to twice the straight line rate. The annual rate is applied to the remaining cost basis of the property each year of it's depreciable life. Salvage value is not subtracted from the cost basis because, due to the nature of the method, the property will not have been completely depreciated at the end of it's useful life.

The SUM-OF-THE-YEAR'S-DIGITS method is calculated by subtracting the estimated salvage value from the cost basis. A factor is then determined by dividing the number of years remaining in the useful life of the property by the sum of the digits of all the years in the useful life. To determine the annual depreciation deduction, the factor, which changes each year of the depreciable life, is multiplied times the original cost basis.

**ACQUISITION DATE**

The ACQUISITION DATE is the date on which the owner takes title to the property. See INCOME PROPERTY

THE RESULTS: WHAT THEY MEAN

INVESTMENT ANALYSIS; DATA ENTRY: IMPORTANT CONSIDERATIONS for a discussion of the derivation of this value.

**ADJUSTED EXPENSES**

The annual operating expenses are adjusted according to the annual increase percentage specified by the analyst in the Data Entry Area.

The base year operating expenses (except Real Estate Taxes and Management Fees) are multiplied by an expense adjustment factor. The expense adjustment factor is determined by compounding the indicated annual rate of increase in expenses by the number of years that have elapsed since the end of the first year of ownership.

The real estate taxes are not adjusted by a factor because they are a function of the replacement cost of the property. The replacement cost of the property increases at it's own specified inflation rate.

The Management Fee is expressed as a percentage of gross income. Gross income will increase with the escalation of the rents.

**ADJUSTED RENT ($/SF/YR)**

The rents are adjusted by the Template according to the annual percentage increase specified by the analyst for each lessee (or each class of income).

A rent increase factor is calculated for each lessee. This factor is determined by compounding

the indicated annual percentage increase by the number of years that have elapsed after the Base (first) Year.

The factor is then multiplied times the base year rental rate thereby determining the rental rate to be charged during the twelve month period ending on the analysis date.

**ADJUSTED RENT (AVERAGE)**

After the Template calculates the adjusted rent for each individual lessee, it calculates the Average Adjusted Rent. The Average Adjusted Rent is the rental rate which, if applied to the entire leaseable area, would result in the current year gross income.

**AGE OF MORTGAGES (IN YEARS)**

The age of each mortgage is the number of years, rounded to the nearest 1/100th year, of each mortgage. It is the number of elapsed years from the date the mortgage was made to the analysis date.

**ANALYSIS DATE**

The date on which the analysis is made is the Analysis date. See INCOME PROPERTY INVESTMENT ANALYSIS; DATA ENTRY: IMPORTANT CONSIDERATIONS for a discussion of the derivation of this value.

THE RESULTS: WHAT THEY MEAN

**ANNUAL DEBT SERVICE**

The Template determines the Annual Debt Service of each mortgage based on the Data Entry Parameters. After the Annual Debt Service has been determined for each mortgage, the Template calculates the total Annual Debt Service of all the mortgages.

**ANNUAL GROSS INCOME**

The Annual Gross Income is the total lease income for the twelve month period ending on the analysis date.

**ANNUAL INFLATION RATE OF EXPENSES**

The Annual Inflation Rate of Expenses is a value determined by the analyst and specified in the Data Entry Area. See INCOME PROPERTY INVESTMENT ANALYSIS; DATA ENTRY: IMPORTANT CONSIDERATIONS for a discussion of the derivation of this value.

**ANNUAL OPERATING EXPENSE**

This value is the Total Adjusted Operating Expense for the 12 month period ending on the analysis date.

**ANNUAL PERCENTAGE RATE**

The Annual Percentage Rate (APR) is the interest rate the analyst has specified for each mortgage. The interest for each mortgage is determined monthly (end of period payment) on the unpaid principal balance.

THE RESULTS: WHAT THEY MEAN

**BALLOON PAYMENT**

The BALLOON PAYMENT is the remaining principal balance at the end of the term of a mortgage. It is specified by the user in the Data Entry Area.

**BASE RENT ($/SF/YR)**

The BASE RENT is the rent specified by the analyst in the Data Entry Area for the first year following acquisition of the property.

**BASE YEAR EXPENSES**

The BASE YEAR EXPENSES are values specified by the user in the Data Entry Area. The values represent the various operating expenses that are expected to be incurred during the initial year of ownership.

**BUILDING EFFICIENCY**

The BUILDING EFFICIENCY is an expression of the percentage of the total building area that is rentable. The Template calculates the Building Efficiency by dividing the total leaseable area by the gross building area. The resulting decimal is then multiplied by 100 so that it is expressed as a percentage.

The analyst should be certain to enter the total square footage of all leasable area in the Data Entry Area, even if some of the space is unoccupied. The unoccupied space should be listed at $0.00/SF rent.

THE RESULTS: WHAT THEY MEAN

## CAPITALIZATION RATE

The CAPITALIZATION RATE is specified by the analyst in the Data Entry Area. See INCOME PROPERTY INVESTMENT ANALYSIS; DATA ENTRY: IMPORTANT CONSIDERATIONS for a discussion of the derivation of this value.

## COST APPROACH VALUATION

The COST APPROACH VALUATION is an estimation of the replacement cost of the buildings and the land on the analysis date.

It is determined by multiplying the replacement cost at acquisition times a cost increase factor. The cost increase factor is determined by compounding the user specified Annual Percentage Increase in the Building & Land Replacement Cost by the number of years since acquisition of the property. The resulting factor is then multiplied by the Cost at Acquisition thereby indicating the replacement cost of the property on the analysis date. The cost increases begin to accrue at the end of the first year following the date of acquisition.

This total replacement cost figure is then reduced by subtracting the Template's estimation of the Accumulated Economic Depreciation (See: Accumulated Economic Depreciation in this section of the manual). The resulting value is the Cost Approach Valuation on the date of analysis.

THE RESULTS: WHAT THEY MEAN

## EFFECTIVE GROSS INCOME

The EFFECTIVE GROSS INCOME is the Gross Income less the Vacancy Allowance.

The Template calculates the Vacancy Allowance by multiplying the Annual Gross Income by the Vacancy Allowance Percentage that the user specified in the Data Entry Area. The Vacancy Allowance is then subtracted from the Gross Income. The resulting figure is the Effective Gross Income.

## EQUITY POSITION

The Template calculates the Equity Position that is projected to occur on the analysis date according to two theories:

EQUITY POSITION: METHOD A. This method of projecting the future equity position is calculated by adding the cumulative principal reduction of the mortgages that has accrued since the date of acquisition plus the original equity investment. This method gives the analyst an indication of the total equity he has invested in the property.

EQUITY POSITION: METHOD B. This method for projecting the investor's future equity position is determined by estimating the market value of the property, then subtracting the principal balance of the mortgages.

The Template calculates this value by averaging the income and replacement cost valuations. The Template then subtracts the present value of the mortgages (on the date of analysis) from the average market value.

THE RESULTS: WHAT THEY MEAN

The resulting figure is a projection of the cash that would be generated if the property is sold at it's estimated future appraised value.

**EQUITY REQUIREMENT**

The EQUITY REQUIREMENT is the down payment that will be required to purchase the property.

The Template calculates the Equity Requirement by subtracting the principal balance of the mortgages on the date of acquisition from the total purchase price.

**EXPENSE ADJUSTMENT FACTOR**

See: ADJUSTED EXPENSES in this section of the manual.

**EXPENSE INCREASES CALCULATED FROM....**

See: ADJUSTED EXPENSES in this section of the manual.

**EXPENSES: $/SF**

After the Template has calculated the adjusted expenses for the 12 month period preceeding the analysis date, it calculates the operating expense per square foot of gross building area for each expense category.

The Template calculates the operating expenses per

square foot by dividing the adjusted expenses by the gross building area.

**EXPENSES: $/SF (TOTAL)**

After the Template has calculated the annual operating expense per square foot for each expense category, it adds all of the expense categories and displays the total annual operating expenses per square foot of gross building area.

**GROSS BUILDING AREA**

The GROSS BUILDING AREA is specified by the analyst in the Data Entry Area.

**GROSS INCOME**

The annual GROSS INCOME is the sum of the annual rents expected to be collected in the twelve month period preceeding the analysis date.

**INCOME APPROACH VALUATION**

The INCOME APPROACH VALUATION is a technique designed to place a value on the income stream generated by an income producing propery.

The Template calculates the Income Approach Valuation of the property by dividing the Net Operating Income, excluding the Costs of Acquisition and Sale, by the Capitalization Rate specified by the user in the Data Entry Area.

THE RESULTS: WHAT THEY MEAN

Due to the nature of this process, the indicated value of the property will increase when the Net Operating Income increases or when the Capitalization Rate decreases.

**INCOME APPROACH: INDICATED VALUE**

See INCOME APPROACH VALUATION in this section of the manual.

**INCOME TAX BRACKET**

The INCOME TAX BRACKET is the estimated marginal income tax rate for the person (or other legal entity) who owns the property and who is entitled to claim the various tax deductions generated by the property. The Income Tax Bracket is specified by the user in the Data Entry Area.

**INCOME TAX LIABILITY**

The INCOME TAX LIABILITY is the estimated federal income tax for the 12 month period ending on the analysis date.

The Template calculates the estimated Income Tax Liability by subtracting the interest deduction and the depreciation deduction for the 12 month period ending on the analysis date from the net operating income. The resulting value is the estimated taxable income. The Template then calculates the estimated income tax liability by multiplying the taxable income times the user specified marginal income tax rate.

THE RESULTS: WHAT THEY MEAN

**INTEREST DEDUCTION**

The INTEREST DEDUCTION is the amount of interest paid during the previous 12 month period, or since the date of acquisition, whichever is less. The Template calculates this value for all mortgages. The sum total of the interest paid on each individual mortgage is the interest deduction.

**INTEREST: PAST 12 MONTHS**

See: INTEREST DEDUCTION in this section of the manual.

**INTEREST: TOTAL SINCE ACQUISITION**

The Template calculates the total interest that has been paid on all the mortgages since the date of acquisition. The interest paid on the mortgages prior to acquisition is not calculated.

**LAND AREA (ACRES)**

The LAND AREA is specified by the analyst in the Data Entry Area.

**MANAGEMENT FEE PERCENTAGE**

The MANAGEMENT FEE PERCENTAGE is a value specified by the user in the Data Entry Area. It is used during the determination of the annual management fee. The Template calculates the Management Fee by multiplying the Gross Income times the Management

THE RESULTS: WHAT THEY MEAN

Fee Percentage that was specified by the analyst.

**MARKET VALUE: AVERAGE**

The Template determines the Income Approach Valuation of the property and the Cost Approach Valuation of the property. The AVERAGE MARKET VALUE is the arithmetic mean of these two estimates of the property value.

**MONTHLY PAYMENT**

The Template calculates the MONTHLY PAYMENT for each mortgage based on the user specified mortgage parameters. The Monthly Payment is calculated based on a 360 day year. Monthly interest is assessed on the unpaid principal balance and the Template assumes end of period payments.

**MORTGAGE CONSTANT**

The Template calculates the MORTGAGE CONSTANT for each loan. The Mortgage Constant is a percentage value. It is an expression of the relationship between the principal amount and the annual debt service. If the principal amount of the loan is multiplied times the Mortgage Constant, the resulting value will be the annual debt service.

**NET CASH FLOW: AFTER TAX**

The NET CASH FLOW AFTER TAX is the amount of money that should be left over (if any) for the 12 month period ending on the analysis date after the

operating expenses, annual debt service, and federal income tax liability have been paid.

If the after tax cash flow is negative, it represents the amount of capital that will be required from the owner to meet the estimated financial obligations of the property.

If the income tax liability is negative, which is common for the early years of operation, it is added to the Net Cash Flow After Tax. The theory is that the owner will be able to use the tax loss (shelter) generated by the subject property against other income tax liabilities like a cash flow.

Since we treat the available tax shelter as a cash flow, it is possible that the Net Cash Flow After Tax could be positive, even though the owner may have to contribute some out-of-pocket cash toward the operation of the property. In this situation, the Net Cash Flow Before Tax will indicate the amount of the cash contribution (operating deficit) that will be required from the property owner.

**NET CASH FLOW: BEFORE TAX**

The NET CASH FLOW BEFORE TAX is the amount of money that should be left over (if any) for the 12 month period ending on the analysis date after the operating expenses and annual debt service have been paid and before the income tax liability has been satisfied.

**NET OPERATING INCOME**

The NET OPERATING INCOME is that portion of the

THE RESULTS: WHAT THEY MEAN

Gross Income that is left over after deductions have been made for Vacancy Allowance, Operating Expenses, and Costs of Acquisition or Sale.

**PRESENT VALUE OF DEBT**

The Template calculates the PRESENT VALUE OF THE DEBT (Principal Balance) for each mortgage on the analysis date. The Template then calculates the sum total for all mortgages.

**PRINCIPAL AMOUNT**

The PRINCIPAL AMOUNT of each mortgage is specified by the analyst in the Data Entry Area. The analyst should be careful to enter the original principal amount of each mortgage, and not the present value of the mortgages on the date of acquisition.

**PRINCIPAL BALANCE AT ACQUISITION**

The Template calculates the PRINCIPAL BALANCE AT ACQUISITION for all of the mortgages. This value will EQUAL the principal amount if the mortgage is made at acquisition. The Principal Balance at Acquisition will be LESS than the original principal amount if the mortgage was made prior to the acquisition of the property, and assumed by the purchaser.

The Template will accept mortgages which are made after the acquisition date. In this case, the Template will indicate that the Principal Balance at Acquisition was zero.

THE RESULTS: WHAT THEY MEAN

**PRINCIPAL: PAST 12 MONTHS**

The Template calculates the total principal reduction of each mortgage during the 12 month period ending on the analysis date. If the property has been owned less than one year, the Template will calculate the principal that has been paid since the acquisition date.

**PRINCIPAL: TOTAL SINCE ACQUISITION**

The Template calculates the total principal reduction of the mortgage from the acquisition date to the analysis date. This value will be less than the total principal reduction since the mortgage was made if the mortgage is dated prior to the acquisition date. We are not concerned with the principal that has been retired prior to acquisition.

The amount of principal retired prior to acquisition is the difference between the original principal amount of the loans and the principal balance at acquisition.

**PURCHASE PRICE**

The PURCHASE PRICE is specified by the analyst in the Data Entry Area. It is the amount of money actually paid or asked for a property.

**PV (PRESENT VALUE) OF DEBT PLUS EQUITY**

The Template calculates the Present Value of the

THE RESULTS: WHAT THEY MEAN

Debt (principal balance), then adds this value to the original equity requirement. The thoery is that this is the total financial commitment of the investor to the property. It represents the sum of the commitment to the mortgagee(s), plus the owner's own equity commitment. If the net cash flow after tax is zero, the Present Value of the Debt plus Equity would represent exactly the price that the property owner would need from the sale of the property to break even.

The actual break even point, however, should be determined by adjusting the PV of Debt Plus Equity by the net present value of the cash flow (after tax) generated by the property during the term of ownership. The theory is that the break even point will be higher or lower than the PV of Debt Plus Equity depending on whether or not the property generated a positive cash flow or required the owner to subsidize the operating expenses with out-of-pocket cash.

**REMAINING DEPRECIABLE LIFE**

The REMAINING DEPRECIABLE LIFE is specified by the analyst in the Data Entry Area.

It represents the analyst's estimate of the remaining useful life of the property, determined on the date of acquisition.

**REMAINING DEPRECIABLE VALUE**

The Template calculates the REMAINING DEPRECIABLE VALUE of the property on the date of analysis. The Remaining Depreciable Value represents the

undepreciated portion of the original cost of the depreciable assets. It is for income tax purposes only. There is not necessarily any relationship between the Remaining Depreciable Value and the actual worth of the property.

**RENT INCREASES CALCULATED FROM...**

See ADJUSTED RENT in this section of the manual.

**RETURN (IN %) AFTER TAXES**

The Template calculates the percentage return on the original equity requirement after the income tax liability has been satisfied.

This is one of the most significant values determined by the Template. It provides the analyst with a method of comparing the cash-on-cash return that is projected for various configurations of input data. It also gives the analyst the basis for comparison between real estate investments and other investments that provide a cash flow return on equity.

During the analysis process, the analyst should experiment with various combinations of input data that are realistically available for the prospective investor. These combinations may include several alternative financing packages (e.g., different interest rates, term, etc.), rents, total purchase price, and various configurations of other investment components. In general, the analyst should structure the acquisition so that it provides the highest possible annual percentage return on the required

equity.

**RETURN (IN %) BEFORE TAXES**

The Template calculates the percentage return on the original equity investment, before the income tax liability has been satisfied. This is determined by dividing the net cash flow, before taxes, by the original equity requirement. The Template then multiplies by 100 to convert the decimal to a percentage value.

**SALVAGE VALUE**

The SALVAGE VALUE is the remaining book value of the property at the end of it's useful life. The Salvage Value is specified by the user (as a percentage of replacement cost) in the Data Entry Area for the straight line and sum-of-the-year's-digits methods. The analyst is not required to enter a salvage value for the declining balance methods of depreciation because the declining balance method automatically leaves an undepreciated (salvage) value for the property at the end of the specified useful life.

**SOFT COSTS (% OF BLDG REPLACEMENT COST)**

This value is specified by the analyst in the data entry section of the Template.

See: INCOME PROPERTY INVESTMENT ANALYSIS; DATA ENTRY: IMPORTANT CONSIDERATIONS for a discussion of the derivation of this value.

THE RESULTS: WHAT THEY MEAN

**SQUARE FOOTAGE**

The SQUARE FOOTAGE refers to the amount of space leased to the tenants. These values are specified by the analyst in the Data Entry Area. The Template calculates the sum total of these areas, which is then displayed at the bottom of the square footage column in the Income Schedule.

**STARTING BOOK VALUE**

The Template calculates the STARTING BOOK VALUE by subtracting the portion of the Purchase Price that can be allocated to the Land from the Total Purchase Price of the property. The Template then uses this value as the Starting Book Value for each of the three methods of depreciation.

**TAX DEPRECIATION: PAST 12 MONTHS**

The Template calculates the TAX DEPRECIATION which accrues to the property each year. The depreciation method will vary depending on which depreciation method is used. This value is then used as a deduction from the Net Operating Income during the computation of the Taxable Income.

**TAXABLE INCOME**

The Template calculates the TAXABLE INCOME by subtracting the interest deduction and the tax depreciation deduction which has accrued to the property during the past 12 months from the Net Operating Income. The marginal tax rate is then

applied to the Taxable Income to estimate the income tax liability for the current year.

**TERM OF AMORTIZATION (YEARS)**

This is a value specified by the analyst in the Data Entry Area. It represents the term of each mortgage, in years.

**TOTAL DEDUCTIBLE ITEMS**

The Template calculates the total available income tax deduction by adding the interest deduction to the depreciation deduction.

**VACANCY ALLOWANCE**

See INCOME PROPERTY INVESTMENT ANALYSIS; DATA ENTRY: IMPORTANT CONSIDERATIONS for a discussion of the derivation of this value.

**VACANCY ALLOWANCE PERCENTAGE**

See INCOME PROPERTY INVESTMENT ANALYSIS; DATA ENTRY: IMPORTANT CONSIDERATIONS for a discussion of the derivation of this value.

**YEAR(S) AFTER ACQUISITION**

The Template calculates the number of years (to the nearest 1/100th year) from the date of acquisition to the date of analysis.

# SAMPLE REPORTS

## SAMPLE REPORTS

### MONTHLY AMORTIZATION CALCULATOR: DATA ENTRY

```
  AMORTIZATION: CALCULATOR
================================
  OPERATING INSTRUCTIONS:

  1) PRESS SPACE BAR TO RESET
     CURSOR DIRECTION INDICATOR
     TO THE VERTICAL MODE.

  2) SCROLL CURSOR DOWN UNTIL IT
     IS IN THE DATA ENTRY AREA.

  3) POSITION THE CURSOR AT THE
     DESIRED DATA ENTRY LOCATION.
     ENTER THE DATA; PRESS RETURN

  4) AFTER ALL THE DATA HAS BEEN
     ENTERED, PRESS THE  !  KEY
     TO PERFORM THE CALCULATIONS.

     NOTE: ZERO IS A VALID ENTRY
     FOR THE DOWN PAYMENT % AND
     THE BALLOON PAYMENT.

  5) THE TEMPLATE WILL SOLVE FOR
     THE UNKNOWN.  NOTE: USER
     MUST SPECIFY INTEREST RATE.

  6) SEE MANUAL TO PRINT A REPORT
     THE COORDINATES ARE LOCATED
     BELOW THE DATA ENTRY AREA.

================================
        DATA ENTRY AREA
--------------------------------
  MONTHLY AMORTIZATION       DATA

  ANNUAL % RATE (APR)       15.70
  DOWN PAYMENT %            10.00
================================
  ENTER 3 OF 4 VARIABLES:
  PURCHASE PRICE         14500.00
  TERM: IN MONTHS           48.00
  MONTHLY PAYMENT            0.00
  BALLOON PAYMENT AMT        0.00

================================

  TO PRINT A REPORT: GO TO A71

     LOWER RIGHT IS:  C83

================================
```

## SAMPLE REPORTS

MONTHLY AMORTIZATION CALCULATOR: RESULTS

---

| MONTHLY AMORTIZATION: | RESULTS |
|---|---|
| PURCHASE PRICE | 14500.00 |
| DOWN PAYMENT | 1450.00 |
| AMOUNT FINANCED | 13050.00 |
| TERM: IN MONTHS | 48.00 |
| ANNUAL % RATE | 15.70 |
| MONTHLY PAYMENT | 367.84 |
| BALLOON PAYMENT AMT | 0.00 |

## MONTHLY AMORTIZATION: DATA ENTRY

```
 MONTHLY AMORTIZATION SCHEDULE
==================================
 OPERATING INSTRUCTIONS:

 1) PRESS SPACE BAR TO RESET THE
    CURSOR DIRECTION INDICATOR
    TO THE VERTICAL MODE.

 2) SCROLL CURSOR DOWN UNTIL IT
    IS IN THE DATA ENTRY AREA.

 3) POSITION THE CURSOR AT THE
    DESIRED DATA ENTRY LOCATION.
    ENTER THE DATA; PRESS RETURN.

 4) AFTER ALL THE DATA HAS BEEN
    ENTERED, PRESS THE  !  KEY TO
    PERFORM THE CALCULATIONS.

 5) TO PRINT A REPORT: SEE MANUAL
    THE COORDINATES ARE LOCATED
    BELOW THE DATA ENTRY AREA.

==================================
         DATA ENTRY AREA
----------------------------------
  MONTHLY AMORTIZATION        DATA

  PURCHASE PRICE           9750.00
  DOWN PAYMENT %             15.00
  ANNUAL % RATE (APR)        16.50
  TERM: IN MONTHS            30.00
  BALLOON PAYMENT AMT         0.00
==================================
  THE TEMPLATE WILL CALCULATE:

  DOWN PAYMENT             1462.50
  AMOUNT FINANCED          8287.50
  MONTHLY PAYMENT           339.00
==================================

  TO PRINT REPORT: GO TO A64

   LOWER RIGHT IS: G121

==================================
```

## SAMPLE REPORTS

### MONTHLY AMORTIZATION: 36 MONTH SCHEDULE

MONTHLY AMORTIZATION SCHEDULE

FIRST 36 MONTHS

| | | | |
|---|---|---|---|
| PURCHASE PRICE | 9750.00 | ANNUAL % RATE | 16.50 |
| DOWN PAYMENT | 1462.50 | TERM: IN MONTHS | 30.00 |
| AMOUNT FINANCED | 8287.50 | LOAN CONSTANT | 49.0861274 |
| BALLOON PAYMENT | 0.00 | MONTHLY PAYMENT | 339.00 |

| END OF MONTH | PRINCIPAL BALANCE | MONTHLY PRINCIPAL PAYMENT | MONTHLY INTEREST PAYMENT | PRINCIPAL TOTAL PD TO DATE | INTEREST TOTAL PD TO DATE |
|---|---|---|---|---|---|
| 1 | 8062.45 | 225.05 | 113.95 | 225.05 | 113.95 |
| 2 | 7834.31 | 228.14 | 110.86 | 453.19 | 224.81 |
| 3 | 7603.03 | 231.28 | 107.72 | 684.47 | 332.53 |
| 4 | 7368.57 | 234.46 | 104.54 | 918.93 | 437.08 |
| 5 | 7130.89 | 237.68 | 101.32 | 1156.61 | 538.39 |
| 6 | 6889.94 | 240.95 | 98.05 | 1397.56 | 636.44 |
| 7 | 6645.67 | 244.26 | 94.74 | 1641.83 | 731.18 |
| 8 | 6398.05 | 247.62 | 91.38 | 1889.45 | 822.56 |
| 9 | 6147.02 | 251.03 | 87.97 | 2140.48 | 910.53 |
| 10 | 5892.54 | 254.48 | 84.52 | 2394.96 | 995.05 |
| 11 | 5634.56 | 257.98 | 81.02 | 2652.94 | 1076.07 |
| 12 | 5373.04 | 261.53 | 77.48 | 2914.46 | 1153.55 |
| 13 | 5107.92 | 265.12 | 73.88 | 3179.58 | 1227.43 |
| 14 | 4839.15 | 268.77 | 70.23 | 3448.35 | 1297.66 |
| 15 | 4566.69 | 272.46 | 66.54 | 3720.81 | 1364.20 |
| 16 | 4290.48 | 276.21 | 62.79 | 3997.02 | 1426.99 |
| 17 | 4010.47 | 280.01 | 58.99 | 4277.03 | 1485.99 |
| 18 | 3726.61 | 283.86 | 55.14 | 4560.89 | 1541.13 |
| 19 | 3438.85 | 287.76 | 51.24 | 4848.65 | 1592.37 |
| 20 | 3147.13 | 291.72 | 47.28 | 5140.37 | 1639.66 |
| 21 | 2851.41 | 295.73 | 43.27 | 5436.09 | 1682.93 |
| 22 | 2551.61 | 299.79 | 39.21 | 5735.89 | 1722.14 |
| 23 | 2247.70 | 303.92 | 35.08 | 6039.80 | 1757.22 |
| 24 | 1939.60 | 308.10 | 30.91 | 6347.90 | 1788.13 |
| 25 | 1627.27 | 312.33 | 26.67 | 6660.23 | 1814.80 |
| 26 | 1310.64 | 316.63 | 22.37 | 6976.86 | 1837.17 |
| 27 | 989.66 | 320.98 | 18.02 | 7297.84 | 1855.19 |
| 28 | 664.27 | 325.39 | 13.61 | 7623.23 | 1868.80 |
| 29 | 334.40 | 329.87 | 9.13 | 7953.10 | 1877.93 |
| 30 | 0.00 | 334.40 | 4.60 | 8287.50 | 1882.53 |
| 31 | NA | NA | NA | NA | NA |
| 32 | NA | NA | NA | NA | NA |
| 33 | NA | NA | NA | NA | NA |
| 34 | NA | NA | NA | NA | NA |
| 35 | NA | NA | NA | NA | NA |
| 36 | NA | NA | NA | NA | NA |

## AMORTIZATION: ANNUAL SUMMARY - DATA ENTRY

```
 AMORTIZATION: ANNUAL SUMMARY
================================
 OPERATING INSTRUCTIONNS:

 1) PRESS SPACE BAR TO RESET THE
    CURSOR DIRECTION INDICATOR
    TO THE VERTICAL MODE.

 2) SCROLL CURSOR DOWN UNTIL IT
    IS IN THE DATA ENTRY AREA.

 3) POSITION THE CURSOR AT THE
    DESIRED DATA ENTRY LOCATION.
    ENTER THE DATA, PRESS RETURN.

    NOTE: DO NOT ENTER VALUES FOR
    THE MONTHLY PAYMENT OR AMOUNT
    FINANCED, THE TEMPLATE WILL
    CALCULATE AND DISPLAY BOTH.

 4) AFTER ALL THE DATA HAS BEEN
    ENTERED, PRESS THE  !  KEY TO
    PERFORM THE CALCULATIONS.

 5) TO PRINT A REPORT: SEE MANUAL
    THE COORDINATES ARE LOCATED
    BELOW THE DATA ENTRY AREA.

================================
        DATA ENTRY AREA
--------------------------------
  ANNUAL SUMMARY REPORT:     DATA

  DATE OF NOTE (MONTH)         10
  PURCHASE PRICE           135000.00
  DOWN PAYMENT %               10.00
  ANNUAL % RATE (APR)          14.60
  TERM: IN YEARS               30.00
  BALLOON PAYMENT AMT           0.00
================================
  MONTHLY PAYMENT           1497.51
  AMOUNT FINANCED         121500.00
================================

  TO PRINT REPORT:  GO TO A55

   LOWER RIGHT IS:  G109
```

## SAMPLE REPORTS

### AMORTIZATION: ANNUAL SUMMARY REPORT

AMORTIZATION: MONTHLY PAYMENTS

ANNUAL SUMMARY REPORT

| | | | |
|---|---|---|---|
| PURCHASE PRICE | 135000.00 | ANNUAL % RATE | 14.60 |
| DOWN PAYMENT | 13500.00 | TERM: IN YEARS | 30 |
| AMOUNT FINANCED | 121500.00 | MONTHS IN FIRST YR | 3 |
| BALLOON PAYMENT | 0.00 | MONTHS IN LAST YR | 9 |
| MONTHLY PAYMENT | 1497.51 | LOAN CONSTANT | 14.7902144 |

| END OF YEAR | PRINCIPAL BALANCE | ANNUAL PRINCIPAL PAYMENT | ANNUAL INTEREST PAYMENT | PRINCIPAL TOTAL PD TO DATE | INTEREST TOTAL PD TO DATE |
|---|---|---|---|---|---|
| 1 | 121441.52 | 58.48 | 4434.04 | 58.48 | 4434.04 |
| 2 | 121185.16 | 256.35 | 17713.76 | 314.84 | 22147.80 |
| 3 | 120888.77 | 296.39 | 17673.72 | 611.23 | 39821.52 |
| 4 | 120546.09 | 342.68 | 17627.43 | 953.91 | 57448.95 |
| 5 | 120149.89 | 396.20 | 17573.91 | 1350.11 | 75022.86 |
| 6 | 119691.82 | 458.08 | 17512.03 | 1808.18 | 92534.90 |
| 7 | 119162.20 | 529.62 | 17440.49 | 2337.80 | 109975.39 |
| 8 | 118549.87 | 612.33 | 17357.78 | 2950.13 | 127333.17 |
| 9 | 117841.90 | 707.96 | 17262.15 | 3658.10 | 144595.32 |
| 10 | 117023.37 | 818.53 | 17151.58 | 4476.63 | 161746.89 |
| 11 | 116077.01 | 946.37 | 17023.74 | 5422.99 | 178770.64 |
| 12 | 114982.84 | 1094.17 | 16875.94 | 6517.16 | 195646.58 |
| 13 | 113717.79 | 1265.05 | 16705.06 | 7782.21 | 212351.64 |
| 14 | 112255.16 | 1462.62 | 16507.49 | 9244.84 | 228859.13 |
| 15 | 110564.11 | 1691.05 | 16279.06 | 10935.89 | 245138.18 |
| 16 | 108608.95 | 1955.16 | 16014.95 | 12891.05 | 261153.14 |
| 17 | 106348.45 | 2260.51 | 15709.60 | 15151.55 | 276862.74 |
| 18 | 103734.90 | 2613.55 | 15356.56 | 17765.10 | 292219.31 |
| 19 | 100713.18 | 3021.72 | 14948.39 | 20786.82 | 307167.69 |
| 20 | 97219.53 | 3493.65 | 14476.46 | 24280.47 | 321644.16 |
| 21 | 93180.26 | 4039.27 | 13930.84 | 28319.74 | 335574.99 |
| 22 | 88510.14 | 4670.12 | 13299.99 | 32989.86 | 348874.99 |
| 23 | 83110.66 | 5399.48 | 12570.63 | 38389.34 | 361445.62 |
| 24 | 76867.90 | 6242.76 | 11727.35 | 44632.10 | 373172.97 |
| 25 | 69650.17 | 7217.73 | 10752.38 | 51849.83 | 383925.35 |
| 26 | 61305.19 | 8344.98 | 9625.13 | 60194.81 | 393550.48 |
| 27 | 51656.92 | 9648.27 | 8321.84 | 69843.08 | 401872.32 |
| 28 | 40501.81 | 11155.11 | 6815.00 | 80998.19 | 408687.32 |
| 29 | 27604.52 | 12897.28 | 5072.83 | 93895.48 | 413760.15 |
| 30 | 12692.98 | 14911.54 | 3058.57 | 108807.02 | 416818.71 |
| 31 | 0.00 | 12692.98 | 784.60 | 121500.00 | 417603.32 |

## SAMPLE REPORTS

## MORTGAGE LOAN ANALYSIS: DATA ENTRY

```
MORTGAGE LOAN ANALYSIS
==============================
OPERATING INSTRUCTIONS:

1) PRESS SPACE BAR TO RESET
   CURSOR DIRECTION TO VERTICAL.

2) SCROLL THE CURSOR DOWN UNTIL
   IT IS IN THE DATA ENTRY AREA.

3) POSITION THE CURSOR AT THE
   DESIRED DATA ENTRY LOCATION.
   ENTER THE DATA; PRESS RETURN.

4) AFTER ALL THE DATA HAS BEEN
   ENTERED, PRESS THE  !  KEY TO
   PERFORM THE CALCULATIONS.

5) TO PRINT A REPORT: SEE MANUAL.
   THE COORDINATES ARE LOCATED
   BELOW THE DATA ENTRY AREA.

==============================
     MORTGAGE LOAN ANALYSIS
          DATA ENTRY AREA
==============================

                    MONTH        YEAR
ACQUISITION            10        1978
   ANALYSIS             4        1981


MORTGAGES:   1ST  MORT   2ND MORT
             ----------  ----------
PRIN AMOUNT  420000.00   80000.00
APR (%)        8.00        16.00
TERM: YEARS   30.00        10.00
MONTH MADE        7           10
YEAR  MADE     1976         1978
BALLOON        0.00     40000.00


MORTGAGES:    3RD MORT   4TH MORT
              ----------  ----------
PRIN AMOUNT   50000.00        0.00
APR (%)         17.50         0.00
TERM: YEARS     10.00         0.00
MONTH MADE          7            0
YEAR  MADE       1980            0
BALLOON       50000.00         0.00


MORTGAGES:    5TH MORT
              ----------
PRIN AMOUNT         0.00
APR (%)             0.00
TERM: YEARS         0.00
MONTH MADE             0
YEAR  MADE             0
BALLOON             0.00

       END OF DATA ENTRY
==============================

 TO PRINT REPORT:  GO TO A115

          LOWER RIGHT IS G174

==============================
```

## MORTGAGE LOAN ANALYSIS: SUMMARY REPORT

MORTGAGE LOAN ANALYSIS

4 1981
SUMMARY REPORT

2.50 YR(S) AFTER ACQUISITION DATE

| | FIRST MORTGAGE | SECOND MORTGAGE | THIRD MORTGAGE |
|---|---|---|---|
| TERM OF MORTGAGE: IN YEARS | 30.00 | 10.00 | 10.00 |
| AGE OF MORTGAGE: IN YEARS | 4.75 | 2.50 | 0.75 |
| PRINCIPAL AMOUNT | 420000.00 | 80000.00 | 50000.00 |
| BALANCE AT ACQUISITION | 411693.51 | 80000.00 | 50000.00 |
| BALLOON PAYMENT | 0.00 | 40000.00 | 50000.00 |
| ANNUAL PERCENTAGE RATE (APR) | 8.00 | 16.00 | 17.50 |
| MONTHLY PAYMENT | 3081.81 | 1203.39 | 729.17 |
| ANNUAL DEBT SERVICE | 36981.73 | 14440.63 | 8750.00 |
| MORTGAGE CONSTANT | 8.80517484 | 18.0507873 | 17.5000000 |
| PRESENT VALUE OF DEBT | 400536.35 | 74997.24 | 50000.00 |
| PRINCIPAL: TOTAL SINCE ACQ | 11157.16 | 5002.76 | 0.00 |
| PRINCIPAL: PAST 12 MONTHS | 4731.31 | 2242.04 | 0.00 |
| INTEREST: TOTAL SINCE ACQ | 81297.18 | 31098.82 | 6562.50 |
| INTEREST: PAST 12 MONTHS | 32250.43 | 12198.59 | 6562.50 |

| | FOURTH MORTGAGE | FIFTH MORTGAGE | TOTALS |
|---|---|---|---|
| TERM OF MORTGAGE: IN YEARS | 0.00 | 0.00 | |
| AGE OF MORTGAGE: IN YEARS | 0.00 | 0.00 | |
| PRINCIPAL AMOUNT | 0.00 | 0.00 | 550000.00 |
| BALANCE AT ACQUISITION | 0.00 | 0.00 | 541693.51 |
| BALLOON PAYMENT | 0.00 | 0.00 | 90000.00 |
| ANNUAL PERCENTAGE RATE (APR) | 0.00 | 0.00 | |
| MONTHLY PAYMENT | 0.00 | 0.00 | 5014.36 |
| ANNUAL DEBT SERVICE | 0.00 | 0.00 | 60172.36 |
| MORTGAGE CONSTANT | 0 | 0 | |
| PRESENT VALUE OF DEBT | 0.00 | 0.00 | 525533.60 |
| PRINCIPAL: TOTAL SINCE ACQ | 0.00 | 0.00 | 16159.92 |
| PRINCIPAL: PAST 12 MONTHS | 0.00 | 0.00 | 6973.35 |
| INTEREST: TOTAL SINCE ACQ | 0.00 | 0.00 | 118958.49 |
| INTEREST: PAST 12 MONTHS | 0.00 | 0.00 | 51011.51 |

## COMPARATIVE DEPRECIATION SCHEDULE: DATA ENTRY

```
  DEPRECIATION SCHEDULE
==============================
  OPERATING INSTRUCTIONS:

  1) PRESS SPACE BAR TO CHANGE
     CURSOR TO VERTICAL MODE.

  2) SCROLL THE CURSOR DOWN
     TO THE DATA ENTRY AREA.

  3) POSITION THE CURSOR
     AT THE DESIRED LOCATION.

  4) PRESS THE  !  KEY TO
     PERFORM THE CALCULATIONS.

  5) TO PRINT A REPORT:
     SEE INSTRUCTION MANUAL.

==============================
        DATA ENTRY AREA
------------------------------
  ACQUISITION MONTH          10

  STARTING VALUE ($)     130000
  SALVAGE  VALUE ($)      25000
  USEFUL LIFE: YEARS         25
  D B  METHOD: IN %         150

==============================

    TO PRINT A REPORT:  > A53

          LOWER RIGHT:  > H106

==============================
```

## SAMPLE REPORTS

### COMPARATIVE DEPRECIATION SCHEDULE: REPORT

COMPARATIVE DEPRECIATION SCHEDULE

ANNUAL SUMMARY REPORT

FIRST 30 YEARS

| | | | |
|---|---|---|---|
| STARTING BOOK VALUE | 130000 | ACQUISITION MONTH | 10 |
| SALVAGE VALUE | 25000 | MONTHS IN FIRST YR | 3 |
| USEFUL LIFE: IN YEARS | 25 | MONTHS IN LAST YR | 9 |

| | STRAIGHT LINE | | 150 PERCENT DECLINING BALANCE | | SUM-OF-YRS-DIGITS | |
|---|---|---|---|---|---|---|
| END OF YEAR | ANNUAL DEPREC | REMAINING VALUE | ANNUAL DEPREC | REMAINING VALUE | ANNUAL DEPREC | REMAINING VALUE |
| 1 | 1050 | 128950 | 1950 | 128050 | 2019 | 127981 |
| 2 | 4200 | 124750 | 7683 | 120367 | 7996 | 119985 |
| 3 | 4200 | 120550 | 7222 | 113145 | 7673 | 112312 |
| 4 | 4200 | 116350 | 6789 | 106356 | 7350 | 104962 |
| 5 | 4200 | 112150 | 6381 | 99975 | 7027 | 97935 |
| 6 | 4200 | 107950 | 5998 | 93976 | 6704 | 91231 |
| 7 | 4200 | 103750 | 5639 | 88338 | 6381 | 84850 |
| 8 | 4200 | 99550 | 5300 | 83038 | 6058 | 78792 |
| 9 | 4200 | 95350 | 4982 | 78055 | 5735 | 73058 |
| 10 | 4200 | 91150 | 4683 | 73372 | 5412 | 67646 |
| 11 | 4200 | 86950 | 4402 | 68970 | 5088 | 62558 |
| 12 | 4200 | 82750 | 4138 | 64831 | 4765 | 57792 |
| 13 | 4200 | 78550 | 3890 | 60942 | 4442 | 53350 |
| 14 | 4200 | 74350 | 3656 | 57285 | 4119 | 49231 |
| 15 | 4200 | 70150 | 3437 | 53848 | 3796 | 45435 |
| 16 | 4200 | 65950 | 3231 | 50617 | 3473 | 41962 |
| 17 | 4200 | 61750 | 3037 | 47580 | 3150 | 38812 |
| 18 | 4200 | 57550 | 2855 | 44725 | 2827 | 35985 |
| 19 | 4200 | 53350 | 2684 | 42042 | 2504 | 33481 |
| 20 | 4200 | 49150 | 2525 | 39517 | 2181 | 31300 |
| 21 | 4200 | 44950 | 2525 | 36992 | 1858 | 29442 |
| 22 | 4200 | 40750 | 2525 | 34468 | 1535 | 27908 |
| 23 | 4200 | 36550 | 2525 | 31943 | 1212 | 26696 |
| 24 | 4200 | 32350 | 2525 | 29418 | 888 | 25808 |
| 25 | 4200 | 28150 | 2525 | 26894 | 565 | 25242 |
| 26 | 3150 | 25000 | 1894 | 25000 | 242 | 25000 |
| 27 | 0 | 0 | 0 | 0 | 0 | 0 |
| 28 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30 | 0 | 0 | 0 | 0 | 0 | 0 |

## PERSONAL FINANCIAL STATEMENT: PAGE ONE

PERSONAL FINANCIAL STATEMENT

FOR: DR. FIXIM WRIGHT AND
MRS. MARY WRIGHT, HIS WIFE
123 OCEAN TRAIL
ANYWHERE BEACH, FLORIDA

TO: FIRST NATIONAL BANK
POST OFFICE BOX 55007
ANYWHERE, FLORIDA

WE MAKE THE FOLLOWING STATEMENT OF ALL OUR ASSETS AND LIABILITIES AS OF 1-20-81 AND GIVE OTHER MATERIAL INFORMATION FOR THE PURPOSE OF OBTAINING CREDIT WITH YOU ON NOTES AND BILLS BEARING OUR SIGNATURES, ENDORSEMENT, GUARANTEE, AND AGREE TO NOTIFY YOU PROMPTLY OF ANY CHANGE AFFECTING OUR ABILITY TO PAY.

ASSETS:

| | | |
|---|---|---|
| CASH ON HAND, AND UNRESTRICTED IN BANKS (SCHEDULE 1) | $ | 59876 |
| U.S. GOVERNMENT SECURITIES, GUARANTEED | | 0 |
| GOVERNMENT AGENCIES SECURITIES | | 0 |
| ACCOUNTS AND LOANS RECIEVEABLE (SCHEDULE 2) | | 466789 |
| NOTES RECEIVEABLE, NOT DISCOUNTED (SCHEDULE 2) | | 0 |
| NOTES RECEIVEABLE, DISCOUNTED, WITH BANKS, ETC. (SCHEDULE 2) | | 0 |
| LIFE INSURANCE, CASH SURRENDER VALUE, LOANS NOT DEDUCTED (SCHEDULE 3) | | 2786 |
| STOCKS AND SECURITIES OTHER THAN U.S. GOVT. SECURITIES (SCHEDULE 4) | | 106500 |
| REAL ESTATE, REGISTERED IN OWN NAME (SCHEDULE 5) | | 4705000 |
| AUTOMOBILES, REGISTERED IN OWN NAME 1) 1980 ROLLS ROYCE | | 125000 |
| 2) 1980 CORVETTE | | 16000 |
| OTHER ASSETS, ITEMIZED: PERSONAL PROPERTY | | 200000 |
| JEWELERY | | 150000 |
| | | 0 |
| | | 0 |

| | | |
|---|---|---|
| SUB TOTAL: | $ | 5831951 |
| LESS: TOTAL LIABILITIES | $ | 2150300 |
| NET WORTH: | $ | 3681651 |
| TOTAL ASSETS: | $ | 5831951 |

LIABILITIES AND NET WORTH:

| | | |
|---|---|---|
| NOTES PAYABLE TO BANKS, UNSECURED | $ | 75000 |
| NOTES PAYABLE TO BANKS, SECURED | | 0 |
| NOTES RECEIVEABLE, DISCOUNTED | | 0 |
| NOTES PAYABLE TO OTHERS, UNSECURED | | 0 |
| NOTES PAYABLE TO OTHERS, SECURED | | 0 |
| LOANS AGAINST LIFE INSURANCE | | 0 |
| ACCOUNTS PAYABLE | | 0 |
| TAXES AND ASSESSMENTS PAYABLE | | 0 |
| MORTGAGE PAYABLE ON REAL ESTATE | | 2075300 |
| BROKERS MARGIN ACCOUNTS | | 0 |
| OTHER LIABILITIES: 1) NOTES PAYABLE, AUTOS | | 0 |

| | | |
|---|---|---|
| TOTAL LIABILITIES | $ | 2150300 |
| NET WORTH | $ | 3681651 |
| TOTAL LIABILITIES & NET WORTH | $ | 5831951 |

## PERSONAL FINANCIAL STATEMENT: PAGE TWO

SOURCE OF INCOME:

| | | |
|---|---|---|
| SALARY | | $ 65000 |
| CONSULTING AGREEMENT | | 45000 |
| BONUS AND COMMISSIONS | | 25750 |
| DIVIDENDS | | 24678 |
| REAL ESTATE INCOME | | 35678 |
| OTHER INCOME | A) RESTAURANT | 76598 |
| | B) | 0 |
| | C) | 0 |
| | TOTAL INCOME | $ 272704 |

PERSONAL INFORMATION:

| | |
|---|---|
| 1) BUSINESS OR OCCUPATION | PHYSICIAN |
| 2) PARTNER OR OFFICER IN OTHER VENTURE 1 | RESTAURANT |
| 2 | |
| 3 | |
| 3) NUMBER OF DEPENDENTS | TWO |
| 4) AGES OF DEPENDENTS 1 | 15 YRS |
| 2 | 18 YRS |
| 5) MARITAL STATUS | MARRIED |
| 6) ARE ANY ASSETS PLEDGED? | NO |
| 7) ARE YOU A DEFENDANT IN ANY SUITS? | NO |
| 8) ARE YOU INVOLVED IN ANY LEGAL ACTIONS? | NO |
| 9) HAVE YOU EVER MADE A COMPOSITION SETTLEMENT? | NO |
| 10) HAVE YOU EVER TAKEN BANKRUPTCY? | NO |

CONTINGENT LIABILITIES:

| | |
|---|---|
| AS ENDORSER OR CO-MAKER | $ 5500 |
| ON LEASES OR CONTRACTS | 2489 |
| LEGAL CLAIMS | 10000 |
| PROVISION FOR FEDERAL INCOME TAXES | 0 |
| OTHER SPECIAL DEBT | 2876 |
| TOTAL CONINGENT LIABILITY | $ 20865 |

SUPPLEMENTARY SCHEDULES:

SCHEDULE 1: BANKING RELATIONS (LIST OF BANK ACCOUNTS, INCL. SAVINGS, AND LOANS)

| NAME AND LOCATION OF BANK | CASH BAL | AMOUNT OF LOAN | MATURITY OF LOAN | HOW ENDORSED, OR SECURED |
|---|---|---|---|---|
| CENTURY BANK OF PB COUNTY | 25000 | 0 | | CHECKING |
| FIRST FEDERAL S & L | 14876 | 0 | | SAVINGS |
| 1ST FEDERAL OF DELRAY | 10000 | 0 | | CERTIFICATE OF DEPOSIT |
| 1ST FEDERAL OF DELRAY | 10000 | 0 | | CERTIFICATE OF DEPOSIT |
| CENTRAL BANK OF PB COUNTY | 0 | 75000 | NOV 1981 | SIGNATURE NOTE |
| TOTAL $ | 59876 | 75000 | | |

## PERSONAL FINANCIAL STATEMENT: PAGE THREE

SCHEDULE 2: ACCOUNTS, LOANS AND NOTES RECEIVEABLE

| NAME & ADDRESS OF DEBTOR | AMOUNT OWING | AGE OF DEBT | DESCRIPTION OF NATURE OF DEBT | SECURITY HELD | DATE PMT EXPECTED |
|---|---|---|---|---|---|
| MR. RICK WEAVER | 12789 | 4 YEARS | 2ND MORTGAGE | NOTE | MONTHLY |
| MS. RUTH ASPINWALL | 79000 | 1 YEAR | HOSPITAL BILL | NONE | 12/80 |
| DR. JOHN HILL, M.D. | 375000 | 6 MONTHS | SALE OF MEDICAL PRACTICE | STOCK | MONTHLY |

TOTAL RECEIVEABLES: $ 466789

SCHEDULE 3: LIFE INSURANCE

| PERSON INSURED | BENEFICIARY | INS. CO. | POL TYPE | FACE AMT | CASH VALUE | ANNUAL PREMIUM |
|---|---|---|---|---|---|---|
| DR. F. WRIGHT | MRS. F. WRIGHT | AETNA | TERM | 250000 | 0 | 1567 |
| DR. F. WRIGHT | MRS. F. WRIGHT | AETNA | TERM | 100000 | 0 | 223 |
| DR. F. WRIGHT | MRS. F. WRIGHT | AETNA | WHOLE | 50000 | 2786 | 642 |
| DR. F. WRIGHT | MRS. F. WRIGHT | AETNA | TERM | 50000 | 0 | 356 |
| | | TOTAL AMOUNTS | | $ 450000 | 2786 | 2788 |

SCHEDULE 4: STOCKS & SECURITIES (NOT U S GOVERNMENT SECURITIES OR GOVT.AGENCIES)

| SHARES | DESCRIPTION OF SECURITY | NAME OF OWNER | PRES MKT VALUE | INCOME LAST YR | TO WHOM PLEDGED |
|---|---|---|---|---|---|
| 1000 | APPLE COMPUTER | DR. F. WRIGHT | 34000 | 0 | N/A |
| 500 | ROCKY GRAVEL COMPANY | DR. F. WRIGHT | 37000 | 0 | N/A |
| 500 | CUMMINS DIESEL | DR. F. WRIGHT | 25000 | 0 | N/A |
| 150 | IBM | DR. F. WRIGHT | 10500 | 0 | N/A |
| | | TOTAL AMOUNTS | $ 106500 | 0 | |

SCHEDULE 5: REAL ESTATE; THE LEGAL AND EQUITABLE TITLE TO ALL REAL ESTATE LISTED IN THIS STATEMENT IS SOLELY IN THE NAME OF THE UNDERSIGNED, EXCEPT AS FOLLOWS:.....

| LEGAL DESCRIPTION OR STREET ADDRESS | AREA IN ACRES | IMPROVE-MENTS | MORT-GAGES | MARKET VALUE | UNPAID TAXES |
|---|---|---|---|---|---|
| 123 OCEAN TRAIL, ANYWHERE, FLORIDA | 0.33 | HOUSE | 70000 | 125000 | 0 |
| PROFESSIONAL OFFICE BUILDING | 2.40 | BUILDING | 1457800 | 3298000 | 0 |
| RESTAURANT, PALM BEACH, FLORIDA | 0.96 | BUILDING | 50000 | 362500 | 0 |
| 325 POPLAR ROAD, TINY TOWN, TEXAS | .76 | HOUSE | 55000 | 86000 | 0 |
| LAKE WALES, FLORIDA | 55.33 | ACREAGE | 412500 | 750000 | 0 |
| BEACH ROAD, SEABREEZE, N.C. | N/A | CONDO | 30000 | 80000 | 0 |
| ACREAGE, NORTH CAROLINA | 10.00 | NONE | 0 | 3500 | 0 |
| TOTALS: | | | $ 2075300 | 4705000 | 0 |

## PERSONAL FINANCIAL STATEMENT: PAGE FOUR

SCHEDULE 6: WE BUY GOODS PRINCIPALLY FROM THE FOLLOWING MERCHANTS

| NAME OF FIRM | ADDRESS |
|---|---|
| BURDINES | |
| SEARS | |
| JORDAN MARSH | |
| J.C. PENNEY | |

SCHEDULE 7: BROKERS MARGIN ACCOUNTS; THE FOLLOWING ARE THE NAMES AND ADDRESSES OF ALL BROKERS AND THE AMOUNT OWED TO EACH.

| NAME OF BROKER | ADDRESS | AMOUNT OWED |
|---|---|---|
| NO MARGIN ACCOUNTS | | |

UNDER PENALTY FOR MAKING FALSE STATEMENTS OR OVERVALUING PROPERTY TO INFLUENCE THE ACTION OF ANY FDIC-INSURED BANK, THE UNDERSIGNED CERTIFIES THAT THE INFORMATION CONTAINED IN THIS STATEMENT IS TRUE AND CORRECT.

.DATED: JANUARY 20, 1981

DR. FIXIM WRIGHT, M.D.

MRS. MARY WRIGHT

## SAMPLE REPORTS

INCOME PROPERTY INVESTMENT ANALYSIS: S L

INCOME PROPERTY ANALYSIS: S L

| | MONTH | YEAR |
|---|---|---|
| ACQUISITION | 0 | 0 |
| ANALYSIS | 0 | 0 |

| | |
|---|---|
| PURCHASE PRICE | 0 |
| COST OF ACQUISITION / SALE | 0 |
| LAND AREA (IN ACRES) | 0.00 |
| GROSS BLDG AREA (IN SQ FT) | 0 |
| LAND: COST @ ACQ ($/SQ FT) | 0.00 |
| BLDG: COST @ ACQ ($/SQ FT) | 0.00 |
| SOFT COSTS: % OF BLDG REPL | 0.00 |
| BLDG/LAND REPLACEMENT COST ANNUAL % INCREASE | 0.00 |
| DEPRECIABLE LIFE (IN YRS) | 0 |
| SALVAGE VALUE (% OF COST) | 0 |
| INCOME TAX BRACKET (IN %) | 0 |
| VACANCY ALLOWANCE (IN %) | 0 |
| CAPITALIZATION RATE (IN %) | 0 |

| MORTGAGES: | FIRST | SECOND | THIRD |
|---|---|---|---|
| PRIN AMT | 0 | 0 | 0 |
| APR (%) | 0.00 | 0.00 | 0.00 |
| TERM:YRS | 0 | 0 | 0 |
| MADE MO: | 0 | 0 | 0 |
| YR: | 0 | 0 | 0 |
| BALLOON: | 0 | 0 | 0 |

INCOME SCHEDULE:

| LESSEE | SQ FT | RENT: $/SF/YR | ANNUAL % INCREASE |
|---|---|---|---|
| # 1 | 0 | 0.00 | 0.00 |
| # 2 | 0 | 0.00 | 0.00 |
| # 3 | 0 | 0.00 | 0.00 |
| # 4 | 0 | 0.00 | 0.00 |
| # 5 | 0 | 0.00 | 0.00 |
| # 6 | 0 | 0.00 | 0.00 |
| # 7 | 0 | 0.00 | 0.00 |
| # 8 | 0 | 0.00 | 0.00 |
| # 9 | 0 | 0.00 | 0.00 |
| # 10 | 0 | 0.00 | 0.00 |
| # 11 | 0 | 0.00 | 0.00 |
| # 12 | 0 | 0.00 | 0.00 |
| # 13 | 0 | 0.00 | 0.00 |
| # 14 | 0 | 0.00 | 0.00 |

ESTIMATED ANNUAL EXPENSES:

| | |
|---|---|
| ANNUAL INCREASE: % / YEAR | 0.00 |
| R.E. TAX RATE: IN MILLS | 0.00 |
| ASSESSMENT: IN % REPL COST | 0.00 |
| MANAGEMENT FEE: % OF GROSS | 0.00 |
| INSURANCE: PROPERTY | 0 |
| SITE MAINTENANCE | 0 |
| ELECTRICITY | 0 |
| WATER & SEWER | 0 |
| LEGAL & ACCOUNTING | 0 |
| ADVERTISING | 0 |
| OFFICE SUPPLIES & EXPENSES | 0 |
| MISCELLANEOUS | 0 |

## SAMPLE REPORTS

### INCOME PROPERTY INVESTMENT ANALYSIS: S L

| INCOME PROPERTY INVESTMENT ANALYSIS | STRAIGHT LINE DEPRECIATION |
|---|---|
| MR. REAL ESTATE ANALYST | DATE: |
| REAL ESTATE INVESTMENT COMPANY | |
| STREET ADDRESS | NAME OF THE PROPERTY |
| CITY, STATE AND ZIP CODE | LOCATION OF THE PROPERTY |
| MR. PROSPECTIVE INVESTOR | PURCHASE PRICE 0 |
| NAME OF COMPANY | EQUITY REQUIREMENT 0 |
| STREET ADDRESS | LAND AREA (ACRES) 0.00 |
| CITY, STATE AND ZIP CODE | GROSS BLDG AREA 0 |

ACQUISITION DATE: 0 0 ANALYSIS DATE: 0 0

| PROJECTED INVESTMENT POSITION: 0.00 YR(S) AFTER ACQUISITION | | CASH FLOW ANALYSIS: | |
|---|---|---|---|
| | | GROSS INCOME | 0 |
| EQUITY REQUIREMENT | 0 | VACANCY ALLOWANCE | 0 |
| RETURN (IN %) BEFORE TAX | 0.00 | EFFECTIVE GROSS INCOME | 0 |
| RETURN (IN %) AFTER TAX | 0.00 | ANNUAL OPERATING EXPENSE | 0 |
| INCOME APPROACH VALUATION | 0 | COST OF ACQUISITION/SALE | 0 |
| COST APPROACH VALUATION | 0 | NET OPERATING INCOME | 0 |
| PRESENT VALUE OF DEBT | 0 | ANNUAL DEBT SERVICE | 0 |
| PV OF DEBT PLUS EQUITY | 0 | NET CASH FLOW: BEFORE TAX | 0 |
| EQUITY POSITION: METHOD A | 0 | INCOME TAX LIABILITY | 0 |
| EQUITY POSITION: METHOD B | 0 | NET CASH FLOW: AFTER TAX | 0 |

INCOME SCHEDULE:

| TENANT | SQUARE FOOTAGE | BASE RENT $/SF/YR | ADJUSTED RENT $/SF/YR | ANNUAL GROSS INCOME |
|---|---|---|---|---|
| LESSEE # 1 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 2 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 3 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 4 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 5 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 6 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 7 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 8 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 9 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 10 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 11 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 12 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 13 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 14 | 0 | 0.00 | 0.00 | 0 |
| | 0 | | 0.00 | |

| | | |
|---|---|---|
| GROSS INCOME | | 0 |
| VACANCY ALLOWANCE (IN % OF GROSS) | 0.00 % | 0 |
| EFFECTIVE GROSS INCOME | | 0 |
| BUILDING EFFICIENCY (RENTABLE SF/GROSS SF) | 0.00 % | |
| RENT INCREASES WERE CALCULATED FROM | 0 1 | |

EXPENSE SCHEDULE:

| | BASE YEAR EXPENSES | ADJUSTED EXPENSES | $ PER SQ FT |
|---|---|---|---|
| REAL ESTATE TAXES | | 0 | 0.00 |
| INSURANCE | 0 | 0 | 0.00 |
| MANAGEMENT FEE 0.00 % | | 0 | 0.00 |
| SITE MAINTENANCE | 0 | 0 | 0.00 |
| ELECTRICITY | 0 | 0 | 0.00 |
| WATER & SEWER | 0 | 0 | 0.00 |
| LEGAL & ACCOUNTING | 0 | 0 | 0.00 |
| ADVERTISING | 0 | 0 | 0.00 |
| OFFICE SUPPLIES & EXPENSES | 0 | 0 | 0.00 |
| MISCELLANEOUS EXPENSES | 0 | 0 | 0.00 |
| TOTAL ANNUAL OPERATING EXPENSES | | 0 | 0.00 |
| COSTS OF ACQUISITION & SALE | | 0 | |

| | | |
|---|---|---|
| NET OPERATING INCOME | | 0 |
| ANNUAL RATE OF INFLATION OF EXPENSES | 0.00 % / YEAR | |
| EXPENSE ADJUSTMENT FACTOR | 1.00 X BASE YEAR | |

## SAMPLE REPORTS

### INCOME PROPERTY INVESTMENT ANALYSIS: S L

| DEBT STRUCTURE: | 1ST MORT | 2ND MORT | 3RD MORT | TOTALS |
|---|---|---|---|---|
| TERM OF MORTGAGE: IN YEARS | 0.00 | 0.00 | 0.00 | |
| AGE OF MORTGAGE AT ANALYSIS: IN YRS | 0.00 | 0.00 | 0.00 | |
| PRINCIPAL AMOUNT | 0 | 0 | 0 | 0 |
| PRINCIPAL BALANCE AT ACQUISITION | 0 | 0 | 0 | 0 |
| BALLOON AMOUNT | 0 | 0 | 0 | |
| ANNUAL PERCENTAGE RATE | 0.00 | 0.00 | 0.00 | |
| MONTHLY PAYMENT | 0 | 0 | 0 | 0 |
| ANNUAL DEBT SERVICE | 0 | 0 | 0 | 0 |
| MORTGAGE CONSTANT | 0 | 0 | 0 | |
| PRESENT VALUE OF DEBT | 0 | 0 | 0 | 0 |
| PRINCIPAL: TOTAL SINCE ACQUISITION | 0 | 0 | 0 | 0 |
| PRINCIPAL: PAST 12 MONTHS | 0 | 0 | 0 | 0 |
| INTEREST: TOTAL SINCE ACQUISITION | 0 | 0 | 0 | 0 |
| INTEREST: PAST 12 MONTHS | 0 | 0 | 0 | 0 |

INCOME APPROACH VALUATION OF THE PROPERTY:

| | | |
|---|---|---|
| NET OPERATING INCOME (EXCLUDING COSTS OF SALE & ACQUISITION) | | 0 |
| CAPITALIZATION RATE ..... | 0.00 % | |
| INDICATED VALUE OF THE PROPERTY ..... | | 0 |

COST APPROACH VALUATION OF THE PROPERTY:

| | AREA IN SQ FT | REPL COST AT ACQ $/SQ FT | COST INCREASE FACTOR | ADJUSTED VALUE AT ANALYSIS $/SQ FT | CURRENT PROPERTY VALUATION |
|---|---|---|---|---|---|
| LAND | 0 | 0.00 | 1.00 | 0.00 | 0 |
| BUILDINGS | 0 | 0.00 | 1.00 | 0.00 | 0 |
| SOFT COSTS: % OF BUILDING REPLACEMENT COST | | | | 0.00 % | 0 |
| INDICATED REPLACEMENT COST ON ANALYSIS DATE ..... | | | | | 0 |
| LESS: ACCUMULATED ECONOMIC DEPRECIATION ..... | | | | | 0 |
| COST APPROACH VALUATION ON ANALYSIS DATE ..... | | | | | 0 |

COST INCREASES WERE CALCULATED FROM: 0 0

| TAX DEPRECIATION: | STRAIGHT LINE METHOD | |
|---|---|---|
| REMAINING DEPRECIABLE LIFE (YEARS) ..... | 0.00 | |
| STARTING BOOK VALUE ..... | 0 | |
| SALVAGE VALUE ..... | 0 | |
| ACCUMULATED STRAIGHT LINE DEPRECIATION ..... | 0 | |
| REMAINING DEPRECIABLE VALUE ..... | 0 | |
| TAX DEPRECIATION: PAST 12 MONTHS ..... | 0 | |

FEDERAL INCOME TAX: COMPUTATION

| | | |
|---|---|---|
| NET OPERATING INCOME ..... | | 0 |
| INTEREST DEDUCTION: PAST 12 MONTHS ..... | 0 | |
| STRAIGHT LINE DEPRECIATION: PAST 12 MONTHS ..... | 0 | |
| TOTAL DEDUCTIBLE ITEMS ..... | 0 | |
| TAXABLE INCOME ..... | | 0 |
| INCOME TAX RATE ..... 0 % | | |
| INCOME TAX LIABILITY (ESTIMATED) ..... | 0 | |

PROJECTED EQUITY POSITION:

| | | |
|---|---|---|
| A) ORIGINAL EQUITY INVESTMENT ..... | 0 | |
| PLUS: PRINCIPAL REDUCTION SINCE ACQUISITION ... + | 0 | |
| PROJECTED EQUITY POSITION: METHOD A ..... | 0 | |
| B) MARKET VALUE: AVG INCOME & REPL COST APPROACH .. | 0 | |
| LESS: PRESENT VALUE OF DEBT ..... - | 0 | |
| PROJECTED EQUITY POSITION: METHOD B .... ..... | 0 | |

## SAMPLE REPORTS

## INCOME PROPERTY INVESTMENT ANALYSIS: D B

INCOME PROPERTY ANALYSIS: D B

| | MONTH | YEAR |
|---|---|---|
| ACQUISITION | 0 | 0 |
| ANALYSIS | 0 | 0 |

| | |
|---|---|
| PURCHASE PRICE | 0 |
| COST OF ACQUISITION / SALE | 0 |
| LAND AREA (IN ACRES) | 0.00 |
| GROSS BLDG AREA (IN SQ FT) | 0 |
| LAND: COST @ ACQ ($/SQ FT) | 0.00 |
| BLDG: COST @ ACQ ($/SQ FT) | 0.00 |
| SOFT COSTS: % OF BLDG REPL | 0.00 |
| BLDG/LAND REPLACEMENT COST ANNUAL % INCREASE | 0.00 |
| DEPRECIABLE LIFE (IN YRS) | 0 |
| DEPRECIATION FACTOR (IN %) | 0 |
| INCOME TAX BRACKET (IN %) | 0 |
| VACANCY ALLOWANCE (IN %) | 0 |
| CAPITALIZATION RATE (IN %) | 0 |

| MORTGAGES: | FIRST | SECOND | THIRD |
|---|---|---|---|
| PRIN AMT | 0 | 0 | 0 |
| APR (%) | 0.00 | 0.00 | 0.00 |
| TERM:YRS | 0 | 0 | 0 |
| MADE MO: | 0 | 0 | 0 |
| YR: | 0 | 0 | 0 |
| BALLOON: | 0 | 0 | 0 |

INCOME SCHEDULE:

| LESSEE | SQ FT | RENT: $/SF/YR | ANNUAL % INCREASE |
|---|---|---|---|
| # 1 | 0 | 0.00 | 0.00 |
| # 2 | 0 | 0.00 | 0.00 |
| # 3 | 0 | 0.00 | 0.00 |
| # 4 | 0 | 0.00 | 0.00 |
| # 5 | 0 | 0.00 | 0.00 |
| # 6 | 0 | 0.00 | 0.00 |
| # 7 | 0 | 0.00 | 0.00 |
| # 8 | 0 | 0.00 | 0.00 |
| # 9 | 0 | 0.00 | 0.00 |
| # 10 | 0 | 0.00 | 0.00 |
| # 11 | 0 | 0.00 | 0.00 |
| # 12 | 0 | 0.00 | 0.00 |
| # 13 | 0 | 0.00 | 0.00 |
| # 14 | 0 | 0.00 | 0.00 |

ESTIMATED ANNUAL EXPENSES:

| | |
|---|---|
| ANNUAL INCREASE: % / YEAR | 0.00 |
| R.E. TAX RATE: IN MILLS | 0.00 |
| ASSESSMENT: IN % REPL COST | 0.00 |
| MANAGEMENT FEE: % OF GROSS | 0.00 |
| INSURANCE: PROPERTY | 0 |
| SITE MAINTENANCE | 0 |
| ELECTRICITY | 0 |
| WATER & SEWER | 0 |
| LEGAL & ACCOUNTING | 0 |
| ADVERTISING | 0 |
| OFFICE SUPPLIES & EXPENSES | 0 |
| MISCELLANEOUS | 0 |

# INCOME PROPERTY INVESTMENT ANALYSIS: D B

INCOME PROPERTY INVESTMENT ANALYSIS — DECLINING BALANCE DEPRECIATION

MR. REAL ESTATE ANALYST
REAL ESTATE INVESTMENT COMPANY
STREET ADDRESS
CITY, STATE AND ZIP CODE

DATE:

NAME OF THE PROPERTY
LOCATION OF THE PROPERTY

MR. PROSPECTIVE INVESTOR
NAME OF COMPANY
STREET ADDRESS
CITY, STATE AND ZIP CODE

| | |
|---|---|
| PURCHASE PRICE | 0 |
| EQUITY REQUIREMENT | 0 |
| LAND AREA (ACRES) | 0.00 |
| GROSS BLDG AREA | 0 |

ACQUISITION DATE: 0 0 ANALYSIS DATE: 0 0

PROJECTED INVESTMENT POSITION:
0.00 YR(S) AFTER ACQUISITION

| | |
|---|---|
| EQUITY REQUIREMENT | 0 |
| RETURN (IN %) BEFORE TAX | 0.00 |
| RETURN (IN %) AFTER TAX | 0.00 |
| INCOME APPROACH VALUATION | 0 |
| COST APPROACH VALUATION | 0 |
| PRESENT VALUE OF DEBT | 0 |
| PV OF DEBT PLUS EQUITY | 0 |
| EQUITY POSITION: METHOD A | 0 |
| EQUITY POSITION: METHOD B | 0 |

CASH FLOW ANALYSIS:

| | |
|---|---|
| GROSS INCOME | 0 |
| VACANCY ALLOWANCE | 0 |
| EFFECTIVE GROSS INCOME | 0 |
| ANNUAL OPERATING EXPENSE | 0 |
| COST OF ACQUISITION/SALE | 0 |
| NET OPERATING INCOME | 0 |
| ANNUAL DEBT SERVICE | 0 |
| NET CASH FLOW: BEFORE TAX | 0 |
| INCOME TAX LIABILITY | 0 |
| NET CASH FLOW: AFTER TAX | 0 |

INCOME SCHEDULE:

| TENANT | SQUARE FOOTAGE | BASE RENT $/SF/YR | ADJUSTED RENT $/SF/YR | ANNUAL GROSS INCOME |
|---|---|---|---|---|
| LESSEE # 1 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 2 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 3 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 4 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 5 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 6 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 7 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 8 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 9 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 10 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 11 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 12 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 13 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 14 | 0 | 0.00 | 0.00 | 0 |
| | 0 | | 0.00 | |

| | |
|---|---|
| GROSS INCOME | 0 |
| VACANCY ALLOWANCE (IN % OF GROSS) 0.00 % | 0 |
| EFFECTIVE GROSS INCOME | 0 |

BUILDING EFFICIENCY (RENTABLE SF/GROSS SF) 0.00 %
RENT INCREASES WERE CALCULATED FROM 0 1

EXPENSE SCHEDULE:

| | BASE YEAR EXPENSES | ADJUSTED EXPENSES | $ PER SQ FT |
|---|---|---|---|
| REAL ESTATE TAXES | | 0 | 0.00 |
| INSURANCE | 0 | 0 | 0.00 |
| MANAGEMENT FEE 0.00 % | | 0 | 0.00 |
| SITE MAINTENANCE | 0 | 0 | 0.00 |
| ELECTRICITY | 0 | 0 | 0.00 |
| WATER & SEWER | 0 | 0 | 0.00 |
| LEGAL & ACCOUNTING | 0 | 0 | 0.00 |
| ADVERTISING | 0 | 0 | 0.00 |
| OFFICE SUPPLIES & EXPENSES | 0 | 0 | 0.00 |
| MISCELLANEOUS EXPENSES | 0 | 0 | 0.00 |
| TOTAL ANNUAL OPERATING EXPENSES | | 0 | 0.00 |
| COSTS OF ACQUISITION & SALE | | 0 | |

| | |
|---|---|
| NET OPERATING INCOME | 0 |

ANNUAL RATE OF INFLATION OF EXPENSES 0.00 % / YEAR
EXPENSE ADJUSTMENT FACTOR 1.00 X BASE YEAR

## SAMPLE REPORTS

### INCOME PROPERTY INVESTMENT ANALYSIS: D B

| DEBT STRUCTURE: | 1ST MORT | 2ND MORT | 3RD MORT | TOTALS |
|---|---|---|---|---|
| TERM OF MORTGAGE: IN YEARS | 0.00 | 0.00 | 0.00 | |
| AGE OF MORTGAGE AT ANALYSIS: IN YRS | 0.00 | 0.00 | 0.00 | |
| PRINCIPAL AMOUNT | 0 | 0 | 0 | 0 |
| PRINCIPAL BALANCE AT ACQUISITION | 0 | 0 | 0 | 0 |
| BALLOON AMOUNT | 0 | 0 | 0 | |
| ANNUAL PERCENTAGE RATE | 0.00 | 0.00 | 0.00 | |
| MONTHLY PAYMENT | 0 | 0 | 0 | 0 |
| ANNUAL DEBT SERVICE | 0 | 0 | 0 | 0 |
| MORTGAGE CONSTANT | 0 | 0 | 0 | |
| PRESENT VALUE OF DEBT | 0 | 0 | 0 | 0 |
| PRINCIPAL: TOTAL SINCE ACQUISITION | 0 | 0 | 0 | 0 |
| PRINCIPAL: PAST 12 MONTHS | 0 | 0 | 0 | 0 |
| INTEREST: TOTAL SINCE ACQUISITION | 0 | 0 | 0 | 0 |
| INTEREST: PAST 12 MONTHS | 0 | 0 | 0 | 0 |

INCOME APPROACH VALUATION OF THE PROPERTY:

| | |
|---|---|
| NET OPERATING INCOME (EXCLUDING COSTS OF SALE & ACQUISITION) | 0 |
| CAPITALIZATION RATE ..... 0.00 % | |
| INDICATED VALUE OF THE PROPERTY ..... | 0 |

COST APPROACH VALUATION OF THE PROPERTY:

| | AREA IN SQ FT | REPL COST AT ACQ $/SQ FT | COST INCREASE FACTOR | ADJUSTED VALUE AT ANALYSIS $/SQ FT | CURRENT PROPERTY VALUATION |
|---|---|---|---|---|---|
| LAND | 0 | 0.00 | 1.00 | 0.00 | 0 |
| BUILDINGS | 0 | 0.00 | 1.00 | 0.00 | 0 |
| SOFT COSTS: % OF BUILDING REPLACEMENT COST | | | | 0.00 % | 0 |

| | |
|---|---|
| INDICATED REPLACEMENT COST ON ANALYSIS DATE ..... | 0 |
| LESS: ACCUMULATED ECONOMIC DEPRECIATION ..... | 0 |
| COST APPROACH VALUATION ON ANALYSIS DATE ..... | 0 |
| COST INCREASES WERE CALCULATED FROM: 0 0 | |

TAX DEPRECIATION: 0 % DECLINING BALANCE METHOD

| | | |
|---|---|---|
| REMAINING DEPRECIABLE LIFE (YEARS) ..... | 0.00 | |
| STARTING BOOK VALUE ..... | 0 | |
| ACCUMULATED DECLINING BALANCE DEPRECIATION ..... | 0 | |
| REMAINING DEPRECIABLE VALUE ..... | 0 | |
| TAX DEPRECIATION: PAST 12 MONTHS ..... | 0 | |

FEDERAL INCOME TAX: COMPUTATION

| | | |
|---|---|---|
| NET OPERATING INCOME ..... | | 0 |
| INTEREST DEDUCTION: PAST 12 MONTHS ..... | 0 | |
| DECLINING BALANCE DEPRECIATION: PAST 12 MONTHS .... | 0 | |
| TOTAL DEDUCTIBLE ITEMS ..... | 0 | |
| TAXABLE INCOME ..... | | 0 |
| INCOME TAX RATE ..... 0 % | | |
| INCOME TAX LIABILITY (ESTIMATED) ..... | 0 | |

PROJECTED EQUITY POSITION:

| | | |
|---|---|---|
| A) ORIGINAL EQUITY INVESTMENT ..... | | 0 |
| PLUS: PRINCIPAL REDUCTION SINCE ACQUISITION ... + | | 0 |
| PROJECTED EQUITY POSITION: METHOD A ..... | | 0 |
| B) MARKET VALUE: AVG INCOME & REPL COST APPROACH .. | | 0 |
| LESS: PRESENT VALUE OF DEBT ..... - | | 0 |
| PROJECTED EQUITY POSITION: METHOD B ..... | | 0 |

## SAMPLE REPORTS

## INCOME PROPERTY INVESTMENT ANALYSIS: S-O-Y-D

INCOME PROPERTY ANALYSIS: SOYD

| | MONTH | YEAR |
|---|---|---|
| ACQUISITION | 0 | 0 |
| ANALYSIS | 0 | 0 |

| | |
|---|---|
| PURCHASE PRICE | 0 |
| COST OF ACQUISITION / SALE | 0 |
| LAND AREA (IN ACRES) | 0.00 |
| GROSS BLDG AREA (IN SQ FT) | 0 |
| LAND: COST @ ACQ ($/SQ FT) | 0.00 |
| BLDG: COST @ ACQ ($/SQ FT) | 0.00 |
| SOFT COSTS: % OF BLDG REPL | 0.00 |
| BLDG/LAND REPLACEMENT COST ANNUAL % INCREASE | 0.00 |
| DEPRECIABLE LIFE (IN YRS) | 0 |
| SALVAGE VALUE (% OF COST) | 0 |
| INCOME TAX BRACKET (IN %) | 0 |
| VACANCY ALLOWANCE (IN %) | 0 |
| CAPITALIZATION RATE (IN %) | 0 |

| MORTGAGES: | FIRST | SECOND | THIRD |
|---|---|---|---|
| PRIN AMT | 0 | 0 | 0 |
| APR (%) | 0.00 | 0.00 | 0.00 |
| TERM:YRS | 0 | 0 | 0 |
| MADE MO: | 0 | 0 | 0 |
| YR: | 0 | 0 | 0 |
| BALLOON: | 0 | 0 | 0 |

INCOME SCHEDULE:

| LESSEE | SQ FT | RENT: $/SF/YR | ANNUAL % INCREASE |
|---|---|---|---|
| # 1 | 0 | 0.00 | 0.00 |
| # 2 | 0 | 0.00 | 0.00 |
| # 3 | 0 | 0.00 | 0.00 |
| # 4 | 0 | 0.00 | 0.00 |
| # 5 | 0 | 0.00 | 0.00 |
| # 6 | 0 | 0.00 | 0.00 |
| # 7 | 0 | 0.00 | 0.00 |
| # 8 | 0 | 0.00 | 0.00 |
| # 9 | 0 | 0.00 | 0.00 |
| # 10 | 0 | 0.00 | 0.00 |
| # 11 | 0 | 0.00 | 0.00 |
| # 12 | 0 | 0.00 | 0.00 |
| # 13 | 0 | 0.00 | 0.00 |
| # 14 | 0 | 0.00 | 0.00 |

ESTIMATED ANNUAL EXPENSES:

| | |
|---|---|
| ANNUAL INCREASE: % / YEAR | 0.00 |
| R.E. TAX RATE: IN MILLS | 0.00 |
| ASSESSMENT: IN % REPL COST | 0.00 |
| MANAGEMENT FEE: % OF GROSS | 0.00 |
| INSURANCE: PROPERTY | 0 |
| SITE MAINTENANCE | 0 |
| ELECTRICITY | 0 |
| WATER & SEWER | 0 |
| LEGAL & ACCOUNTING | 0 |
| ADVERTISING | 0 |
| OFFICE SUPPLIES & EXPENSES | 0 |
| MISCELLANEOUS | 0 |

## SAMPLE REPORTS

### INCOME PROPERTY INVESTMENT ANALYSIS: S-O-Y-D

INCOME PROPERTY INVESTMENT ANALYSIS — S-O-Y-D DEPRECIATION

MR. REAL ESTATE ANALYST
REAL ESTATE INVESTMENT COMPANY
STREET ADDRESS
CITY, STATE AND ZIP CODE

DATE:

NAME OF THE PROPERTY
LOCATION OF THE PROPERTY

MR. PROSPECTIVE INVESTOR
NAME OF COMPANY
STREET ADDRESS
CITY, STATE AND ZIP CODE

| | |
|---|---|
| PURCHASE PRICE | 0 |
| EQUITY REQUIREMENT | 0 |
| LAND AREA (ACRES) | 0.00 |
| GROSS BLDG AREA | 0 |

ACQUISITION DATE: 0 0 ANALYSIS DATE: 0 0

PROJECTED INVESTMENT POSITION:
0.00 YR(S) AFTER ACQUISITION

| | |
|---|---|
| EQUITY REQUIREMENT | 0 |
| RETURN (IN %) BEFORE TAX | 0.00 |
| RETURN (IN %) AFTER TAX | 0.00 |
| INCOME APPROACH VALUATION | 0 |
| COST APPROACH VALUATION | 0 |
| PRESENT VALUE OF DEBT | 0 |
| PV OF DEBT PLUS EQUITY | 0 |
| EQUITY POSITION: METHOD A | 0 |
| EQUITY POSITION: METHOD B | 0 |

CASH FLOW ANALYSIS:

| | |
|---|---|
| GROSS INCOME | 0 |
| VACANCY ALLOWANCE | 0 |
| EFFECTIVE GROSS INCOME | 0 |
| ANNUAL OPERATING EXPENSE | 0 |
| COST OF ACQUISITION/SALE | 0 |
| NET OPERATING INCOME | 0 |
| ANNUAL DEBT SERVICE | 0 |
| NET CASH FLOW: BEFORE TAX | 0 |
| INCOME TAX LIABILITY | 0 |
| NET CASH FLOW: AFTER TAX | 0 |

INCOME SCHEDULE:

| TENANT | SQUARE FOOTAGE | BASE RENT $/SF/YR | ADJUSTED RENT $/SF/YR | ANNUAL GROSS INCOME |
|---|---|---|---|---|
| LESSEE # 1 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 2 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 3 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 4 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 5 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 6 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 7 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 8 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 9 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 10 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 11 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 12 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 13 | 0 | 0.00 | 0.00 | 0 |
| LESSEE # 14 | 0 | 0.00 | 0.00 | 0 |
| | 0 | | 0.00 | |

| | |
|---|---|
| GROSS INCOME | 0 |
| VACANCY ALLOWANCE (IN % OF GROSS) 0.00 % | 0 |
| EFFECTIVE GROSS INCOME | 0 |
| BUILDING EFFICIENCY (RENTABLE SF/GROSS SF) 0.00 % | |
| RENT INCREASES WERE CALCULATED FROM 0 1 | |

EXPENSE SCHEDULE:

| | BASE YEAR EXPENSES | ADJUSTED EXPENSES | $ PER SQ FT |
|---|---|---|---|
| REAL ESTATE TAXES | | 0 | 0.00 |
| INSURANCE | 0 | 0 | 0.00 |
| MANAGEMENT FEE 0.00 % | | 0 | 0.00 |
| SITE MAINTENANCE | 0 | 0 | 0.00 |
| ELECTRICITY | 0 | 0 | 0.00 |
| WATER & SEWER | 0 | 0 | 0.00 |
| LEGAL & ACCOUNTING | 0 | 0 | 0.00 |
| ADVERTISING | 0 | 0 | 0.00 |
| OFFICE SUPPLIES & EXPENSES | 0 | 0 | 0.00 |
| MISCELLANEOUS EXPENSES | 0 | 0 | 0.00 |
| TOTAL ANNUAL OPERATING EXPENSES | | 0 | 0.00 |
| COSTS OF ACQUISITION & SALE | | 0 | |

| | |
|---|---|
| NET OPERATING INCOME | 0 |
| ANNUAL RATE OF INFLATION OF EXPENSES 0.00 % / YEAR | |
| EXPENSE ADJUSTMENT FACTOR 1.00 X BASE YEAR | |

## SAMPLE REPORTS

### INCOME PROPERTY INVESTMENT ANALYSIS: SOYD

| DEBT STRUCTURE: | 1ST MORT | 2ND MORT | 3RD MORT | TOTALS |
|---|---|---|---|---|
| TERM OF MORTGAGE: IN YEARS | 30.00 | 10.00 | 10.00 | |
| AGE OF MORTGAGE AT ANALYSIS: IN YRS | 3.25 | 1.00 | 1.00 | |
| PRINCIPAL AMOUNT | 750000 | 100000 | 125000 | 975000 |
| PRINCIPAL BALANCE AT ACQUISITION | 732079 | 100000 | 125000 | 957079 |
| BALLOON AMOUNT | 0 | 50000 | 125000 | |
| ANNUAL PERCENTAGE RATE | 7.00 | 8.00 | 9.50 | |
| MONTHLY PAYMENT | 4990 | 940 | 990 | 6919 |
| ANNUAL DEBT SERVICE | 59877 | 11280 | 11875 | 83032 |
| MORTGAGE CONSTANT | 7.983630 | 11.27966 | 9.500000 | |
| PRESENT VALUE OF DEBT | 723165 | 96597 | 125000 | 944762 |
| PRINCIPAL: TOTAL SINCE ACQUISITION | 8914 | 3403 | 0 | 12317 |
| PRINCIPAL: PAST 12 MONTHS | 8914 | 3403 | 0 | 12317 |
| INTEREST: TOTAL SINCE ACQUISITION | 50963 | 7877 | 11875 | 70715 |
| INTEREST: PAST 12 MONTHS | 50963 | 7877 | 11875 | 70715 |

INCOME APPROACH VALUATION OF THE PROPERTY:

| | |
|---|---|
| NET OPERATING INCOME (EXCLUDING COSTS OF SALE & ACQUISITION) | 138461 |
| CAPITALIZATION RATE ..... 10.50 % | |
| INDICATED VALUE OF THE PROPERTY ..... | 1318676 |

COST APPROACH VALUATION OF THE PROPERTY:

| | AREA IN SQ FT | REPL COST AT ACQ $/SQ FT | COST INCREASE FACTOR | ADJUSTED VALUE AT ANALYSIS $/SQ FT | CURRENT PROPERTY VALUATION |
|---|---|---|---|---|---|
| LAND | 75359 | 4.50 | 1.08 | 4.86 | 366244 |
| BUILDINGS | 20000 | 30.00 | 1.08 | 32.40 | 648000 |
| SOFT COSTS: % OF BUILDING REPLACEMENT COST | | | | 15.00 % | 97200 |
| INDICATED REPLACEMENT COST ON ANALYSIS DATE ..... | | | | | 1111444 |
| LESS: ACCUMULATED ECONOMIC DEPRECIATION ..... | | | | | -18630 |
| COST APPROACH VALUATION ON ANALYSIS DATE ..... | | | | | 1092814 |
| COST INCREASES WERE CALCULATED FROM: | | | | 10 1981 | |

TAX DEPRECIATION: 150 % DECLINING BALANCE METHOD

| | | |
|---|---|---|
| REMAINING DEPRECIABLE LIFE (YEARS) ..... | 39.00 | |
| STARTING BOOK VALUE ..... | 1010885 | |
| ACCUMULATED DECLINING BALANCE DEPRECIATION ..... | 37908 | |
| REMAINING DEPRECIABLE VALUE ..... | 972977 | |
| TAX DEPRECIATION: PAST 12 MONTHS ..... | 37908 | |

FEDERAL INCOME TAX: COMPUTATION

| | | |
|---|---|---|
| NET OPERATING INCOME ..... | | 113461 |
| INTEREST DEDUCTION: PAST 12 MONTHS ..... | 70715 | |
| DECLINING BALANCE DEPRECIATION: PAST 12 MONTHS .... | 37908 | |
| TOTAL DEDUCTIBLE ITEMS ..... | 108623 | |
| TAXABLE INCOME ..... | | 4838 |
| INCOME TAX RATE ..... 45 % | | |
| INCOME TAX LIABILITY (ESTIMATED) ..... | 2177 | |

PROJECTED EQUITY POSITION:

| | | |
|---|---|---|
| A) ORIGINAL EQUITY INVESTMENT ..... | 392921 | |
| PLUS: PRINCIPAL REDUCTION SINCE ACQUISITION ... + | 12317 | |
| PROJECTED EQUITY POSITION: METHOD A ..... | 405238 | |
| B) MARKET VALUE: AVG INCOME & REPL COST APPROACH .. | 1205745 | |
| LESS: PRESENT VALUE OF DEBT ..... - | 944762 | |
| PROJECTED EQUITY POSITION: METHOD B .... ..... | 260982 | |

## SAMPLE REPORTS

INCOME PROPERTY INVESTMENT ANALYSIS: SAMPLE

INCOME PROPERTY ANALYSIS: D B

| | MONTH | YEAR |
|---|---|---|
| ACQUISITION | 10 | 1981 |
| ANALYSIS | 10 | 1982 |

| | |
|---|---|
| PURCHASE PRICE | 1350000 |
| COST OF ACQUISITION / SALE | 25000 |
| LAND AREA (IN ACRES) | 1.73 |
| GROSS BLDG AREA (IN SQ FT) | 20000 |
| LAND: COST @ ACQ ($/SQ FT) | 4.50 |
| BLDG: COST @ ACQ ($/SQ FT) | 30.00 |
| SOFT COSTS: % OF BLDG REPL | 15.00 |
| BLDG/LAND REPLACEMENT COST ANNUAL % INCREASE | 8.00 |
| DEPRECIABLE LIFE (IN YRS) | 40 |
| DEPRECIATION FACTOR (IN %) | 150 |
| INCOME TAX BRACKET (IN %) | 45 |
| VACANCY ALLOWANCE (IN %) | 5 |
| CAPITALIZATION RATE (IN %) | 10.5 |

| MORTGAGES: | FIRST | SECOND | THIRD |
|---|---|---|---|
| PRIN AMT | 750000 | 100000 | 125000 |
| APR (%) | 7.00 | 8.00 | 9.50 |
| TERM:YRS | 30 | 10 | 10 |
| MADE MO: | 7 | 10 | 10 |
| YR: | 1979 | 1981 | 1981 |
| BALLOON: | 0 | 50000 | 125000 |

INCOME SCHEDULE:

| LESSEE | SQ FT | RENT: $/SF/YR | ANNUAL % INCREASE |
|---|---|---|---|
| # 1 | 1400 | 9.00 | 5.00 |
| # 2 | 1400 | 8.75 | 7.00 |
| # 3 | 1400 | 9.25 | 4.50 |
| # 4 | 1400 | 9.15 | 6.00 |
| # 5 | 1400 | 8.85 | 7.25 |
| # 6 | 1400 | 10.00 | 5.00 |
| # 7 | 1400 | 9.50 | 6.00 |
| # 8 | 1400 | 10.25 | 4.50 |
| # 9 | 1400 | 9.75 | 9.00 |
| # 10 | 1400 | 8.50 | 7.00 |
| # 11 | 1400 | 7.75 | 8.50 |
| # 12 | 1400 | 9.55 | 5.00 |
| # 13 | 1400 | 9.15 | 5.50 |
| # 14 | 1400 | 8.80 | 7.50 |

ESTIMATED ANNUAL EXPENSES:

| | |
|---|---|
| ANNUAL INCREASE: % / YEAR | 6.50 |
| R.E. TAX RATE: IN MILLS | 18.00 |
| ASSESSMENT: IN % REPL COST | 68.00 |
| MANAGEMENT FEE: % OF GROSS | 5.00 |
| INSURANCE: PROPERTY | 2150 |
| SITE MAINTENANCE | 2375 |
| ELECTRICITY | 875 |
| WATER & SEWER | 520 |
| LEGAL & ACCOUNTING | 488 |
| ADVERTISING | 500 |
| OFFICE SUPPLIES & EXPENSES | 350 |
| MISCELLANEOUS | 2500 |

## SAMPLE REPORTS

# INCOME PROPERTY INVESTMENT ANALYSIS: SAMPLE

INCOME PROPERTY INVESTMENT ANALYSIS — DECLINING BALANCE DEPRECIATION

MR. REAL ESTATE ANALYST
REAL ESTATE INVESTMENT COMPANY
STREET ADDRESS
CITY, STATE AND ZIP CODE

DATE: APRIL 1, 1981

SAMPLE OFFICE COMPLEX
PALM BEACH, FLORIDA

| | |
|---|---|
| PURCHASE PRICE | 1350000 |
| EQUITY REQUIREMENT | 392921 |
| LAND AREA (ACRES) | 1.73 |
| GROSS BLDG AREA | 20000 |

MR. PROSPECTIVE INVESTOR
NAME OF COMPANY
STREET ADDRESS
CITY, STATE AND ZIP CODE

ACQUISITION DATE: 10 1981 — ANALYSIS DATE: 10 1982

PROJECTED INVESTMENT POSITION:
1.00 YR(S) AFTER ACQUISITION

| | |
|---|---|
| EQUITY REQUIREMENT | 392921 |
| RETURN (IN %) BEFORE TAX | 7.74 |
| RETURN (IN %) AFTER TAX | 7.19 |
| INCOME APPROACH VALUATION | 1318676 |
| COST APPROACH VALUATION | 1092814 |
| PRESENT VALUE OF DEBT | 944762 |
| PV OF DEBT PLUS EQUITY | 1337683 |
| EQUITY POSITION: METHOD A | 405238 |
| EQUITY POSITION: METHOD B | 260982 |

CASH FLOW ANALYSIS:

| | |
|---|---|
| GROSS INCOME | 179550 |
| VACANCY ALLOWANCE | 8978 |
| EFFECTIVE GROSS INCOME | 170573 |
| ANNUAL OPERATING EXPENSE | 32112 |
| COST OF ACQUISITION/SALE | 25000 |
| NET OPERATING INCOME | 113461 |
| ANNUAL DEBT SERVICE | 83032 |
| NET CASH FLOW: BEFORE TAX | 30429 |
| INCOME TAX LIABILITY | 2177 |
| NET CASH FLOW: AFTER TAX | 28252 |

INCOME SCHEDULE:

| TENANT | SQUARE FOOTAGE | BASE RENT $/SF/YR | ADJUSTED RENT $/SF/YR | ANNUAL GROSS INCOME |
|---|---|---|---|---|
| BRANDT & HARRISON, P.A. | 1400 | 9.00 | 9.00 | 12600 |
| SMITH, MILLER AND CRANE | 1400 | 8.75 | 8.75 | 12250 |
| ALFRED M. LEVY, M.D. | 1400 | 9.25 | 9.25 | 12950 |
| ROBERT S. HOOVER, M.D. | 1400 | 9.15 | 9.15 | 12810 |
| PAUL M. JOHNSON, ESQ. | 1400 | 8.85 | 8.85 | 12390 |
| ROBERT MORRIS & ASSOCIATES | 1400 | 10.00 | 10.00 | 14000 |
| PARKER & WATSON, P.A. | 1400 | 9.50 | 9.50 | 13300 |
| EXECUTIVE TRAVEL AGENCY | 1400 | 10.25 | 10.25 | 14350 |
| MIDLAND DEVELOPMENT COMPANY | 1400 | 9.75 | 9.75 | 13650 |
| TRAVELERS INSURANCE COMPANY | 1400 | 8.50 | 8.50 | 11900 |
| FIRST PROFESSIONAL AGENCY | 1400 | 7.75 | 7.75 | 10850 |
| HOME FEDERAL SAVINGS & LOAN | 1400 | 9.55 | 9.55 | 13370 |
| INVESTMENT EQUITY ASSOC. | 1400 | 9.15 | 9.15 | 12810 |
| PHILLIP T. HARRIS, M.D. | 1400 | 8.80 | 8.80 | 12320 |
| | 19600 | | 9.16 | |
| GROSS INCOME | | | | 179550 |
| VACANCY ALLOWANCE (IN % OF GROSS) | 5.00 % | | | -8978 |
| EFFECTIVE GROSS INCOME | | | | 170573 |

BUILDING EFFICIENCY (RENTABLE SF/GROSS SF) 98.00 %
RENT INCREASES WERE CALCULATED FROM ..... 10 1982

EXPENSE SCHEDULE:

| | BASE YEAR EXPENSES | ADJUSTED EXPENSES | $ PER SQ FT |
|---|---|---|---|
| REAL ESTATE TAXES | | 13376 | 0.67 |
| INSURANCE | 2150 | 2150 | 0.11 |
| MANAGEMENT FEE 5.00 % | | 8978 | 0.45 |
| SITE MAINTENANCE | 2375 | 2375 | 0.12 |
| ELECTRICITY | 875 | 875 | 0.04 |
| WATER & SEWER | 520 | 520 | 0.03 |
| LEGAL & ACCOUNTING | 488 | 488 | 0.02 |
| ADVERTISING | 500 | 500 | 0.03 |
| OFFICE SUPPLIES & EXPENSES | 350 | 350 | 0.02 |
| MISCELLANEOUS EXPENSES | 2500 | 2500 | 0.13 |
| TOTAL ANNUAL OPERATING EXPENSES | | 32112 | 1.61 |
| COSTS OF ACQUISITION & SALE | | 25000 | |
| NET OPERATING INCOME | | | 113461 |

ANNUAL RATE OF INFLATION OF EXPENSES ..... 6.50 % / YEAR
EXPENSE ADJUSTMENT FACTOR ..... 1.00 X BASE YEAR

## SAMPLE REPORTS

### INCOME PROPERTY INVESTMENT ANALYSIS: SAMPLE

| DEBT STRUCTURE: | 1ST MORT | 2ND MORT | 3RD MORT | TOTALS |
|---|---|---|---|---|
| TERM OF MORTGAGE: IN YEARS | 0.00 | 0.00 | 0.00 | |
| AGE OF MORTGAGE AT ANALYSIS: IN YRS | 0.00 | 0.00 | 0.00 | |
| PRINCIPAL AMOUNT | 0 | 0 | 0 | 0 |
| PRINCIPAL BALANCE AT ACQUISITION | 0 | 0 | 0 | 0 |
| BALLOON AMOUNT | 0 | 0 | 0 | |
| ANNUAL PERCENTAGE RATE | 0.00 | 0.00 | 0.00 | |
| MONTHLY PAYMENT | 0 | 0 | 0 | 0 |
| ANNUAL DEBT SERVICE | 0 | 0 | 0 | 0 |
| MORTGAGE CONSTANT | 0 | 0 | 0 | |
| PRESENT VALUE OF DEBT | 0 | 0 | 0 | 0 |
| PRINCIPAL: TOTAL SINCE ACQUISITION | 0 | 0 | 0 | 0 |
| PRINCIPAL: PAST 12 MONTHS | 0 | 0 | 0 | 0 |
| INTEREST: TOTAL SINCE ACQUISITION | 0 | 0 | 0 | 0 |
| INTEREST: PAST 12 MONTHS | 0 | 0 | 0 | 0 |

INCOME APPROACH VALUATION OF THE PROPERTY:

| | | |
|---|---|---|
| NET OPERATING INCOME (EXCLUDING COSTS OF SALE & ACQUISITION) | | 0 |
| CAPITALIZATION RATE ..... | 0.00 % | |
| INDICATED VALUE OF THE PROPERTY ..... | | 0 |

COST APPROACH VALUATION OF THE PROPERTY:

| | AREA IN SQ FT | REPL COST AT ACQ $/SQ FT | COST INCREASE FACTOR | ADJUSTED VALUE AT ANALYSIS $/SQ FT | CURRENT PROPERTY VALUATION |
|---|---|---|---|---|---|
| LAND | 0 | 0.00 | 1.00 | 0.00 | 0 |
| BUILDINGS | 0 | 0.00 | 1.00 | 0.00 | 0 |
| SOFT COSTS: % OF BUILDING REPLACEMENT COST | | | | 0.00 % | 0 |

| | |
|---|---|
| INDICATED REPLACEMENT COST ON ANALYSIS DATE ..... | 0 |
| LESS: ACCUMULATED ECONOMIC DEPRECIATION ..... | 0 |
| COST APPROACH VALUATION ON ANALYSIS DATE ..... | 0 |
| COST INCREASES WERE CALCULATED FROM: 0 0 | |

TAX DEPRECIATION: SUM-OF-THE-YEARS-DIGITS METHOD

| | | |
|---|---|---|
| REMAINING DEPRECIABLE LIFE (YEARS) ..... | 0 | |
| STARTING BOOK VALUE ..... | 0 | |
| SALVAGE VALUE ..... | 0 | |
| ACCUMULATED S-O-Y-D DEPRECIATION ..... | 0 | |
| REMAINING BOOK VALUE ..... | 0 | |
| TAX DEPRECIATION: PAST 12 MONTHS ..... | 0 | |

FEDERAL INCOME TAX: COMPUTATION

| | | |
|---|---|---|
| NET OPERATING INCOME ..... | | 0 |
| INTEREST DEDUCTION: PAST 12 MONTHS ..... | 0 | |
| SUM-OF-THE-YRS-DIGITS DEPRECIATION: PAST 12 MOS .... | 0 | |
| TOTAL DEDUCTIBLE ITEMS ..... | 0 | |
| TAXABLE INCOME ..... | | 0 |
| INCOME TAX RATE ..... 0 % | | |
| INCOME TAX LIABILITY (ESTIMATED) ..... | 0 | |

PROJECTED EQUITY POSITION:

| | | |
|---|---|---|
| A) ORIGINAL EQUITY INVESTMENT ..... | 0 | |
| PLUS: PRINCIPAL REDUCTION SINCE ACQUISITION ... + | 0 | |
| PROJECTED EQUITY POSITION: METHOD A ..... | 0 | |
| B) MARKET VALUE: AVG INCOME & REPL COST APPROACH .. | 0 | |
| LESS: PRESENT VALUE OF DEBT ..... - | 0 | |
| PROJECTED EQUITY POSITION: METHOD B .... ..... | 0 | |

## SAMPLE REPORTS

# INCOME PROPERTY INVESTMENT ANALYSIS: SAMPLE

INCOME PROPERTY INVESTMENT ANALYSIS — DECLINING BALANCE DEPRECIATION

MR. REAL ESTATE ANALYST
REAL ESTATE INVESTMENT COMPANY
STREET ADDRESS
CITY, STATE AND ZIP CODE

DATE: APRIL 1, 1981

SAMPLE OFFICE COMPLEX
PALM BEACH, FLORIDA

| | |
|---|---|
| PURCHASE PRICE | 1350000 |
| EQUITY REQUIREMENT | 392921 |
| LAND AREA (ACRES) | 1.73 |
| GROSS BLDG AREA | 20000 |

MR. PROSPECTIVE INVESTOR
NAME OF COMPANY
STREET ADDRESS
CITY, STATE AND ZIP CODE

ACQUISITION DATE: 10 1981 — ANALYSIS DATE: 10 1982

PROJECTED INVESTMENT POSITION:
1.00 YR(S) AFTER ACQUISITION

| | | | |
|---|---|---|---|
| EQUITY REQUIREMENT | 392921 | GROSS INCOME | 179550 |
| RETURN (IN %) BEFORE TAX | 7.74 | VACANCY ALLOWANCE | 8978 |
| RETURN (IN %) AFTER TAX | 7.19 | EFFECTIVE GROSS INCOME | 170573 |
| INCOME APPROACH VALUATION | 1318676 | ANNUAL OPERATING EXPENSE | 32112 |
| COST APPROACH VALUATION | 1092814 | COST OF ACQUISITION/SALE | 25000 |
| PRESENT VALUE OF DEBT | 944762 | NET OPERATING INCOME | 113461 |
| PV OF DEBT PLUS EQUITY | 1337683 | ANNUAL DEBT SERVICE | 83032 |
| EQUITY POSITION: METHOD A | 405238 | NET CASH FLOW: BEFORE TAX | 30429 |
| EQUITY POSITION: METHOD B | 260982 | INCOME TAX LIABILITY | 2177 |
| | | NET CASH FLOW: AFTER TAX | 28252 |

ACQUISITION DATE: 10 1981 — ANALYSIS DATE: 10 1983

PROJECTED INVESTMENT POSITION:
2.00 YR(S) AFTER ACQUISITION

| | | | |
|---|---|---|---|
| EQUITY REQUIREMENT | 392921 | GROSS INCOME | 190712 |
| RETURN (IN %) BEFORE TAX | 16.29 | VACANCY ALLOWANCE | 9536 |
| RETURN (IN %) AFTER TAX | 11.62 | EFFECTIVE GROSS INCOME | 181176 |
| INCOME APPROACH VALUATION | 1400461 | ANNUAL OPERATING EXPENSE | 34128 |
| COST APPROACH VALUATION | 1160118 | COST OF ACQUISITION/SALE | 0 |
| PRESENT VALUE OF DEBT | 931519 | NET OPERATING INCOME | 147048 |
| PV OF DEBT PLUS EQUITY | 1324440 | ANNUAL DEBT SERVICE | 83032 |
| EQUITY POSITION: METHOD A | 418481 | NET CASH FLOW: BEFORE TAX | 64017 |
| EQUITY POSITION: METHOD B | 348771 | INCOME TAX LIABILITY | 18348 |
| | | NET CASH FLOW: AFTER TAX | 45668 |

ACQUISITION DATE: 10 1981 — ANALYSIS DATE: 10 1984

PROJECTED INVESTMENT POSITION:
3.00 YR(S) AFTER ACQUISITION

| | | | |
|---|---|---|---|
| EQUITY REQUIREMENT | 392921 | GROSS INCOME | 202603 |
| RETURN (IN %) BEFORE TAX | 18.62 | VACANCY ALLOWANCE | 10130 |
| RETURN (IN %) AFTER TAX | 12.63 | EFFECTIVE GROSS INCOME | 192473 |
| INCOME APPROACH VALUATION | 1487668 | ANNUAL OPERATING EXPENSE | 36268 |
| COST APPROACH VALUATION | 1231198 | COST OF ACQUISITION/SALE | 0 |
| PRESENT VALUE OF DEBT | 917279 | NET OPERATING INCOME | 156205 |
| PV OF DEBT PLUS EQUITY | 1310199 | ANNUAL DEBT SERVICE | 83032 |
| EQUITY POSITION: METHOD A | 432721 | NET CASH FLOW: BEFORE TAX | 73173 |
| EQUITY POSITION: METHOD B | 442154 | INCOME TAX LIABILITY | 23533 |
| | | NET CASH FLOW: AFTER TAX | 49640 |

ACQUISITION DATE: 10 1981 — ANALYSIS DATE: 10 1985

PROJECTED INVESTMENT POSITION:
4.00 YR(S) AFTER ACQUISITION

| | | | |
|---|---|---|---|
| EQUITY REQUIREMENT | 392921 | GROSS INCOME | 215274 |
| RETURN (IN %) BEFORE TAX | 21.11 | VACANCY ALLOWANCE | 10764 |
| RETURN (IN %) AFTER TAX | 13.73 | EFFECTIVE GROSS INCOME | 204510 |
| INCOME APPROACH VALUATION | 1580679 | ANNUAL OPERATING EXPENSE | 38539 |
| COST APPROACH VALUATION | 1306225 | COST OF ACQUISITION/SALE | 0 |
| PRESENT VALUE OF DEBT | 901966 | NET OPERATING INCOME | 165971 |
| PV OF DEBT PLUS EQUITY | 1294887 | ANNUAL DEBT SERVICE | 83032 |
| EQUITY POSITION: METHOD A | 448034 | NET CASH FLOW: BEFORE TAX | 82939 |
| EQUITY POSITION: METHOD B | 541486 | INCOME TAX LIABILITY | 29003 |
| | | NET CASH FLOW: AFTER TAX | 53937 |


# VISICALC™ REAL ESTATE TEMPLATES

## C2B0009 VOLUME 1



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